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Cover Photo

Avalanche technicians do a snow profile to assess snowpack stability. In the background, Highway 37A winds from Meziadin to Stewart through the Bear Pass. Photo courtesy of Mike Boissonneault.

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Editor's Note:

In July 2001, a preliminary version of the *British Columbia Financial and Economic Review* was released to provide supporting information for the July *Economic and Fiscal Update* and the *2000/01 Public Accounts*. This final edition includes a report on services provided during the 2000/01 fiscal year (Chapter 3) as well as the economic and fiscal reviews.

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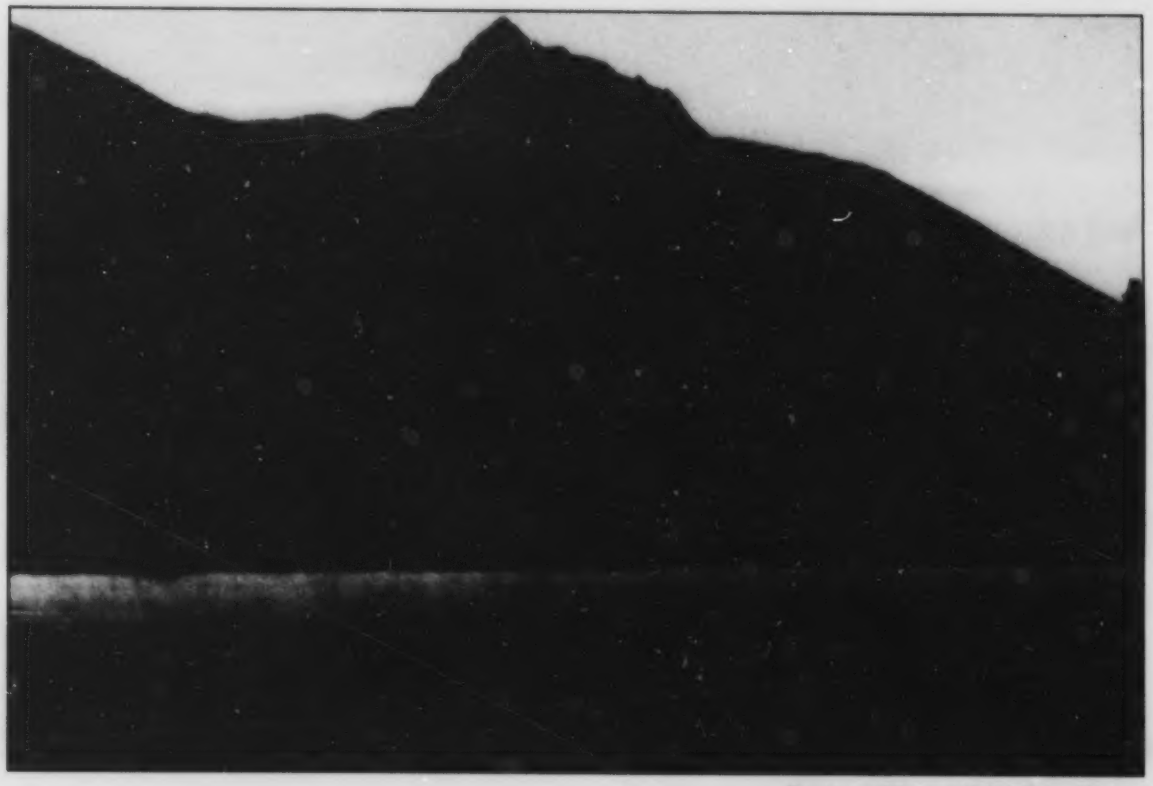
Table of Contents



Sunrise paddle on a British Columbia lake
(photo courtesy of Tourism B.C.)

Table of Contents

Page

1 Economic Review

2000 Overview 2
External Environment 3
Financial Markets 4
Canadian Economy 6
British Columbia Economy 7
Population 7
Labour Force Characteristics 9
Prices and Wages 11
Consumer Expenditure and Housing 11
Capital Investment 12
Exports 13
Industry Review 15
Goods Producing Sector 15
Service Producing Sector 24
Regional Review 30
Vancouver Island/Coast 30
Mainland/Southwest 31
Thompson/Okanagan 32
Kootenay 33
Cariboo 34
North Coast 35
Nechako 35
Northeast 36

2 Financial Review

Introduction 38
Historical Review 38
2000/01 Overview 39
Consolidated Revenue Fund Revenue 43
Consolidated Revenue Fund Expenditure 51
Crown Corporation Results 56
Taxpayer-supported Crown Corporations and Agencies 56
British Columbia Buildings Corporation 57
British Columbia Ferry Corporation 57
BC Transportation Financing Authority 58
Forest Renewal BC 58
Other Taxpayer-supported Crown Corporations and Agencies 58
Commercial Crown Corporations and Agencies 59
British Columbia Hydro and Power Authority 59
Liquor Distribution Branch 60
British Columbia Lottery Corporation 60
British Columbia Railway Company 60
Insurance Corporation of British Columbia 61
Provincial Capital Spending 61
Provincial Debt 66
Taxpayer-supported Debt 67
Self-supported Debt 68
Credit Rating 68
Debt Indicators 69
Trust Funds 70
Other Liabilities 70
Summary Accounts Balance Sheet 71
Summary Accounts Accumulated Deficit 72

Provincial Taxes 73
Income Tax 73
Corporation Capital Tax 74
Social Service Tax 74
Real Property Tax 74
Other Taxes 74

3 Services Review
Introduction 78
Health Programs 78
Ministry of Health and Ministry Responsible for Seniors 78
Overall Health 79
Life Expectancy 79
Infant Mortality 79
Major Health Care Program Areas 80
Acute Care 80
Continuing Care 82
Adult Mental Health 83
Prevention and Promotion 83
Medical Services Plan 85
Pharmacare Program 86
Emergency Health Services Commission 86
Human Resources — Health Professionals 86
Health Care Expenditures 88
Vital Statistics Agency 88
Social Services 89
Ministry of Social Development and Economic Security 89
Income Support Programs 89
Labour Market Programs 90
Disability Benefits 91
Child Care Services 91
Housing 91
Services for Children, Adults and Families 92
Prevention, Promotion and Early Support 93
Child Protection and Guardianship 93
Children with Special Needs 94
Mental Health and Youth Services 94
Youth Justice Programs 95
Adoption Services 95
Youth and Adult Addictions 95
Community Living Services for Adults 95
Aboriginal Relations and Services 95
Education 96
Ministry of Education 96
Public Schools 96
Independent Schools 97
Student Success 98
Foundation Skills Assessment 98
School Completion Rates 98
Student Achievement 99
Secondary School Apprenticeship Program 99
Special Education 99
Post Secondary Education 100
Building Capacity in the Post-secondary System 100
BC Benefits Post-Secondary Training Initiatives 101
Institution-Based Training 101
Expanded Capacity 101
Aboriginal Post-Secondary Education and Training 101
Provincial Learning Network 102
Student Financial Assistance 102
Youth Programs 102
Skills for Employment Program 102
Co-operative Education 102
Research and Innovation 103
Protection of Persons and Property 103
Ministry of Attorney General 104
Community Justice 104
Residential Tenancy Office 104
Victim Services 104

Crime Prevention 104
Youth Services 104
Family Justice Programs 104
Consumer Services 105
Credit Reporting 105
Debt Collection 105
Motor Dealer Licensing 105
Registrar of Cemeteries 105
Registrar of Direct Sellers 105
Travel Services 105
Corrections 105
  Adult Custody 106
  Community Corrections 106
  Family Justice 106
Court Services 106
Criminal Justice 106
Land Title 106
Public Safety and Regulatory Branch 106
Police Services 107
Film Classification 107
Gaming 107
Provincial Emergency Program 108
Liquor Control and Licensing 108
Agencies, Boards and Commissions 108
Human Rights 108
Children's Commission 108
B.C. Coroners Service 108
Legal Services Society 109
Services to Women 109
Transportation 110
Ministry of Transportation and Highways 110
  Highway Operations 110
  Major Capital Construction 111
  Highway Planning 111
  Office of the Superintendent of Motor Vehicles 111
British Columbia Ferry Corporation 112
British Columbia Transit 113
Rapid Transit Project 2000 Ltd 114
BC Transportation Financing Authority 115
Natural Resources 116
Ministry of Environment, Lands and Parks 116
Fish, Wildlife and Habitat Programs 116
  Wildlife and Fisheries 116
  Habitat Program 117
  Habitat Conservation Trust Fund 118
  Wildlife Program 118
Enforcement and Environmental Emergencies Programs 119
Air Resources Program 119
Water Management Programs 119
Pollution Prevention Programs 120
Land and Resource Information Programs/ Land Registry Service 121
Crown Land 121
BC Parks 122
Environmental Assessment Office 122
Land Use Co-ordination Office 123
British Columbia Assets and Land Corporation 123
Ministry of Forests 124
Forest Management 124
Production and Harvesting of Timber 125
Small Business Forest Enterprise Program 125
Forest Protection and Fire Suppression 125
Reforestation and Silviculture 125
Forest Renewal BC 126
552513 British Columbia Ltd. (Skeena Cellulose) 128
Ministry of Energy and Mines 128
  Mineral, Oil and Gas Rights 128
  Development of Energy and Mineral Resources 129
  Protection of Public and Worker Health and Safety 129

Assessment, Levy and Collection of Revenue ... 129
Geoscience ... 129
Columbia River Treaty ... 129
Columbia Basin Trust ... 130
Ministry of Agriculture, Food and Fisheries ... 131
Agri-food ... 131
British Columbia Marketing Board ... 132
Farm Practices Board ... 132
Income and Price Stabilization ... 132
Resource Management ... 132
Fisheries and Aquaculture Operations ... 133
Fisheries Renewal BC ... 133
Okanagan Valley Tree Fruit Authority ... 134
Economic Development ... 134
Ministry of Employment and Investment ... 134
Call Centre Initiative ... 134
Job Protection Commission ... 135
Business Immigration ... 135
International Trade and Investment Missions ... 135
Canada/ British Columbia Infrastructure Programs ... 135
Renewable Energy Technology ... 135
Science Council of British Columbia ... 135
B.C. Pavilion Corporation ... 136
Ministry of Small Business, Tourism and Culture ... 136
Government Agents ... 137
Tourism British Columbia ... 138
Pacific National Exhibition ... 139
Ministry of Community Development, Cooperatives and Volunteers ... 140
British Columbia Community Financial Services Corporation — Four Corners ... 140
Ministry of Finance and Corporate Relations ... 140
Streamlining Initiative ... 142
Financial Institutions Commission ... 142
Crown Corporations Secretariat ... 143
Public Sector Employer's Council ... 143
British Columbia Investment Management Corporation ... 143
British Columbia Buildings Corporation ... 144
General Government and Other ... 145
Ministry of Municipal Affairs ... 145
Local Government ... 145
Community Services ... 145
Safety Engineering Services ... 146
Office of the Fire Commissioner ... 146
Homeowner Protection Office ... 146
British Columbia Assessment Authority ... 147
Ministry of Labour ... 148
Pension Standards ... 149
Industry Training and Apprenticeship ... 149
Workers' Compensation Board ... 149
Ministry of Aboriginal Affairs ... 150
Ministry of Multiculturalism and Immigration ... 150
Commercial Crown Corporations and Agencies ... 151
Introduction ... 151
British Columbia Hydro and Power Authority ... 151
British Columbia Railway Company (BCR Group of Companies) ... 153
Columbia Power Corporation ... 153
Insurance Corporation of British Columbia ... 154
British Columbia Lottery Corporation ... 155
Liquor Distribution Branch ... 156

Appendices
Table of Contents — Appendices ... 158
Appendix 1 ... 160
Appendix 2 ... 183
Appendix 3 ... 217

BC Stats Product Descriptions and Order Form

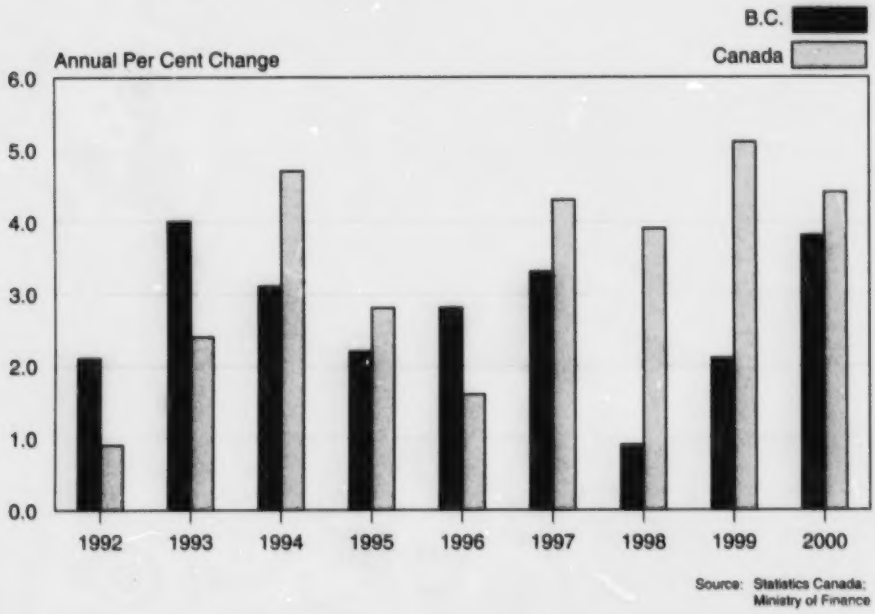
Chapter One
Economic Review

Chapter 1 Economic Review[1]

2000 Overview

British Columbia's real Gross Domestic Product, the broadest measure of economic performance, grew an estimated 3.8 per cent in 2000, up from 2.1 per cent in 1999. This was driven by consumer spending and by strong energy exports to the U.S. during the second half of the year.

Chart 1.1 Canada and BC GDP Growth



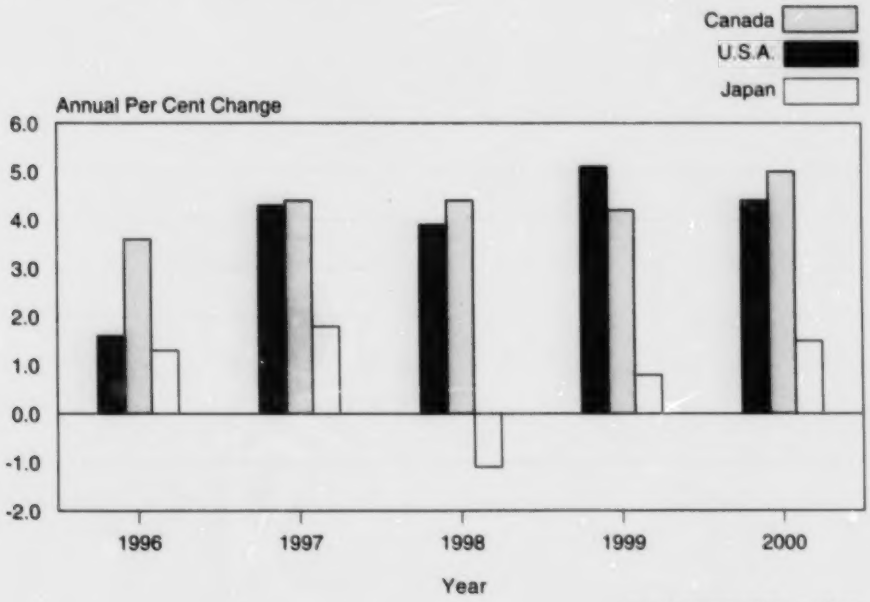
Total employment in the province rose by 2.2 per cent for the year while the unemployment rate fell from 8.3 per cent in 1999 to 7.2 per cent in 2000, the lowest rate since 1981. Strong growth in the number of full time jobs contributed to an increase in the total hours worked and to a 6.4 per cent increase in labour income. Retail spending increased at the fastest pace since 1995. Despite the generally positive economic developments, net out migration to the rest of Canada continued. However, immigration of people from the rest of the world resulted in a total inflow of 17,892 persons, which contributed to the 0.9 per cent population growth.

[1] Chapter 1 and Appendix 1 are based on data available as of July 3, 2001.

External Environment

External conditions were favourable in 2000. Strong economic growth in North America led to increased demand for B.C. exports. The International Monetary Fund estimates world Gross Domestic Product increased at a 4.8 per cent rate in 2000, up from 3.5 per cent in 1999. The North American economies all showed strength: Canadian real GDP was up 4.4 per cent for the year; the U.S. experienced very strong growth at 5.0 per cent; and Mexico was up 6.9 per cent. The European Central Bank reports that Europe's GDP grew by 3.4 per cent in 2000. Asian economies in general grew strongly, however Japan continued to turn in weak results.

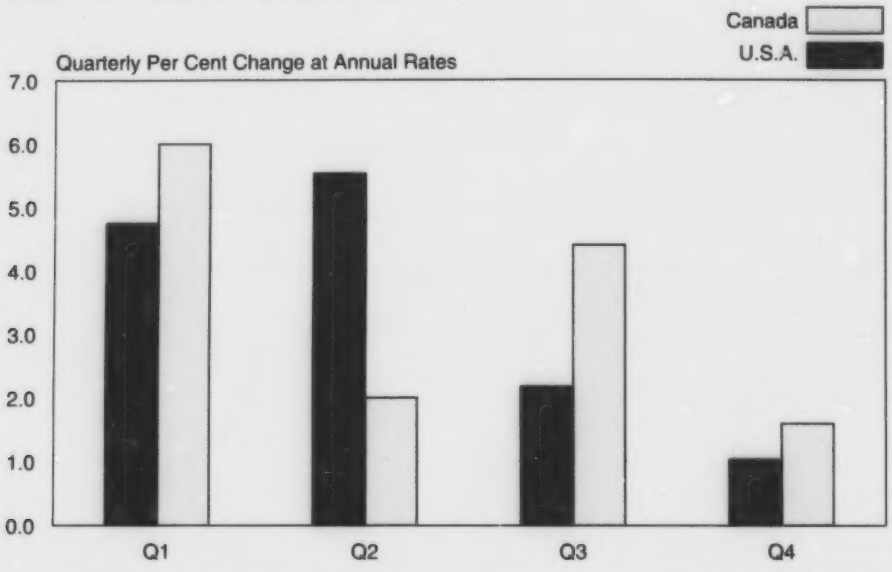
Chart 1.2 External GDP Growth



Source: International Monetary Fund, Statistics Canada

The United States economy ran at top-of-cycle pace through the first half of 2000, posting a growth rate of 5.0 per cent, up from an already high 4.2 per cent in 1999. Cracks appeared later in the year, however, as U.S. growth slowed in the third and fourth quarter. The primary driver of growth in the U.S. was business investment, which was up 12.6 per cent for the year. Areas of consumer demand were also strong: personal expenditure on goods and services was up 5.3 per cent and reported housing starts were 1.6 million units, down from the 1.68 million in 1999, but still at high levels. The U.S. current account deficit increased to $436 billion in 2000 reflecting the combination of the United States' status as a preferred country for investors, and U.S. demand for imported goods.

Chart 1.3 Real GDP Growth, 2000



Source: Statistics Canada

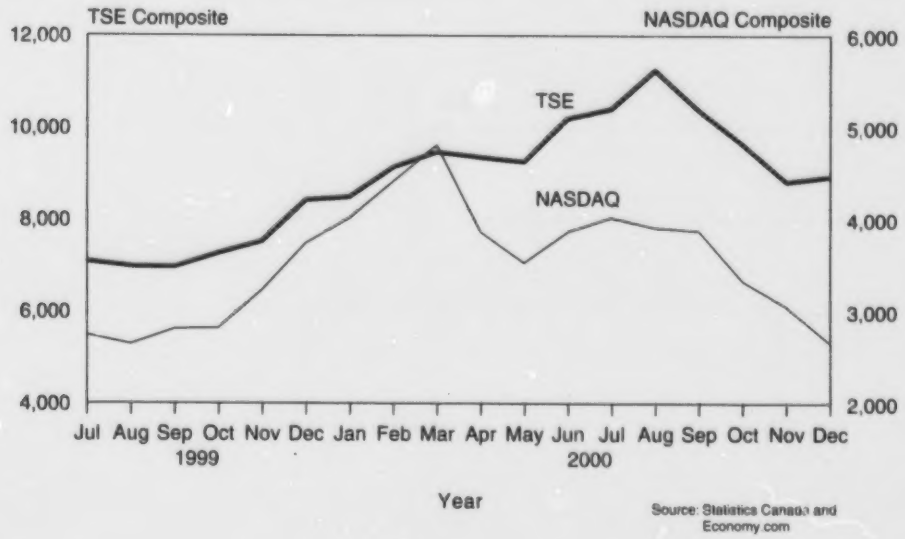
Inflation in the United States was moderate at 3.4 per cent, slightly above the Federal Reserve Board target range. Concern about inflationary expectations led to a rise in interest rates; the interest rate on U.S. 3 month T-Bills rose from 5.23 per cent at the end of 1999 to a high in November of 6.19 per cent before falling amid worries of an economic slowdown. Much of the upward pressure on the overall price level was a result of the rapid increase in energy prices in the second half of the year.

The Asian economies also generally performed well in 2000. Overall, Asian Pacific countries exhibited an estimated 7.1 per cent growth for 2000. Hong Kong, Malaysia, and Korea all report 2000 growth above 8 per cent while Thailand grew at a respectable 4.3 per cent. The weak spot was Japan, which grew 1.5 per cent in real terms, and 0.8 per cent in nominal terms, due to persistent price deflation.

Financial Markets

The biggest financial news in 2000 was the end of one of the largest bull markets in years. The TSE Composite index rose by a third between the beginning of the year and the peak in August before falling to close the year up only 6 per cent. Other markets such as the NASDAQ shared in the roller coaster ride, although the timing of the NASDAQ decline was earlier than the TSE. The rise and fall of the markets in 2000 can generally be attributed to investors' exuberance for, and subsequent doubts about, high technology and other 'new economy' stocks.

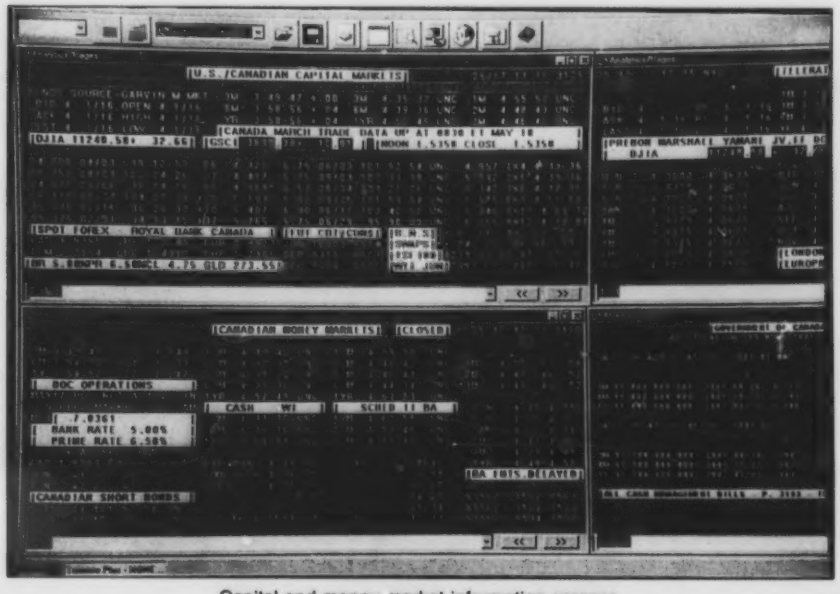
Chart 1.4 Stock Market Performance



Source: Statistics Canada and Economy.com

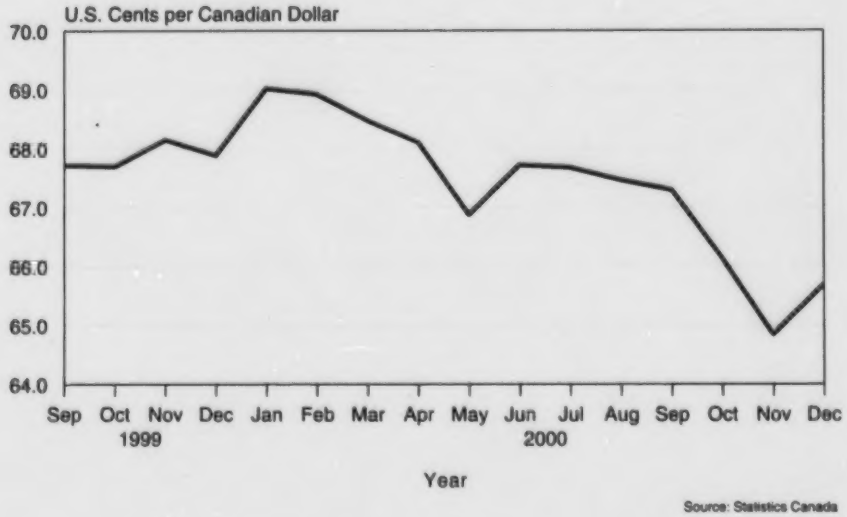
Amid the stock market boom and the rapid growth of Canadian GDP, the Bank of Canada became concerned with the prospect of increased inflationary pressures. This led to the gradual tightening of credit in Canada and to three separate increases in the benchmark bank rate, from 5 per cent in January to 6 per cent at the end of the year.

The Canadian dollar continued its long-term downward trend against the U.S. dollar, depreciating by 4 cents U.S. between January and November, before bouncing back slightly to end the year. The slide in the Canadian dollar was more a reflection of the U.S. dollar's strength than Canadian dollar weakness since the Canadian dollar appreciated in value against most of the world's other currencies.



Capital and money market information screens.

Chart 1.5 Canada-United States Exchange Rate



Source: Statistics Canada

Canadian Economy

The Canadian economy began the year with rapid growth, cooled slightly over the summer and finished well amid some concern over the impact of slowing growth in the U.S. Overall growth in Canadian real GDP was a strong 4.4 per cent in 2000, rising above 1 trillion dollars (1997 constant $).

Table 1.1 Canadian Gross Domestic Product*

	1998	1999	2000	
		($1997 billions)		(per cent change 1999/2000)
Personal Expenditure	528	546	566	3.6
Business Fixed Capital Formation	159	170	181	6.6
Inventory Investment	5	5	9	—
Government Current Expenditure	175	180	184	2.2
Government Fixed Capital	20	22	24	7.6
Exports of goods and services	380	417	449	7.6
Less: Imports of Goods and services	(347)	(373)	(403)	8.1
Real GDP at Market prices	920	966	1,009	4.4

* Fisher chain weighted index.
Note: Totals may not add due to rounding.
Source: Statistics Canada.

Investment was also the main engine of Canadian economic growth during 2000. Business investment was strong, led by machinery and equipment. Government fixed investment was up 7.6 per cent over 1999 levels.

Canadian net exports were also important elements of growth, both exports and imports were up. Consumer expenditure and residential construction lagged the field.

The Canadian labour market had a good year in 2000. The unemployment rate averaged 6.8 per cent for the year compared to the previous year's average of

7.6 per cent. Total employment was up 2.6 per cent, or 378,000 jobs. Most of the job gains were in full time positions.

Strong job market performance meant that personal income in Canada rose 6.1 per cent in 2000 to $823 billion, compared to growth of 4.0 per cent in 1999. Inflation measured by the Consumer Price Index was 2.7 per cent, driven to a large extent by increases in the price of energy. Excluding food and energy, inflation averaged 1.9 per cent.

Income gains found their way into spending; Statistics Canada reported that total retail sales reached $277 billion in 2000, up 6.2 per cent from 1999 levels. Canadian housing starts were up 1.1 per cent in 2000 while the volume of existing home sales was down 4.1 per cent.

British Columbia Economy

The British Columbia economy is a relatively small, open economy that trades in competitive world markets. This means that, for most goods, British Columbia has little influence on world supply or prices. Diversity of geography, population and economic activity continue to be important features of British Columbia.

The Ministry of Finance estimated that the British Columbia economy grew at a rate of 3.8 per cent in 2000, up from 2.1 per cent in 1999, and led by consumer spending and exports. As the year 2000 ended, B.C. benefited from surging energy prices in the North American market resulting primarily from shortages in the western United States. Growth in electrical and electronics manufacturing helped to diversify B.C.'s manufacturing base. The unemployment rate fell to 7.2 per cent as the province's employment growth outpaced increases in the labour force.

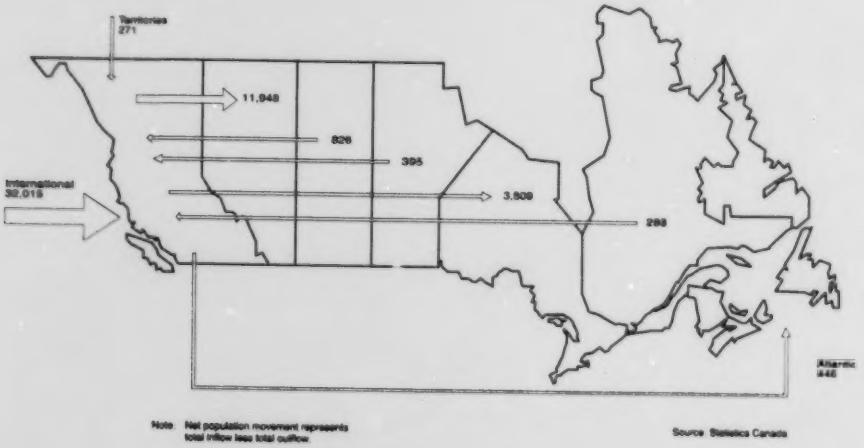
Population

Population growth contributes to the economic health of a region in a number of ways such as producing increased demand for housing, for goods and services and also by forming an increased pool from which to draw workers. In 2000, the population of British Columbia increased by 28,943 people, to 4,077,389 people by year end.

Components of Population Change

The total amount of population change in British Columbia can be divided into two components: migration, which is the movement of people to and from the province, and natural increase, the difference between the number of births and deaths. In 2000, migration contributed 17,892 people to the population while the natural increase was 11,051 people.

Map 1.1 Net Population Movement, 2000



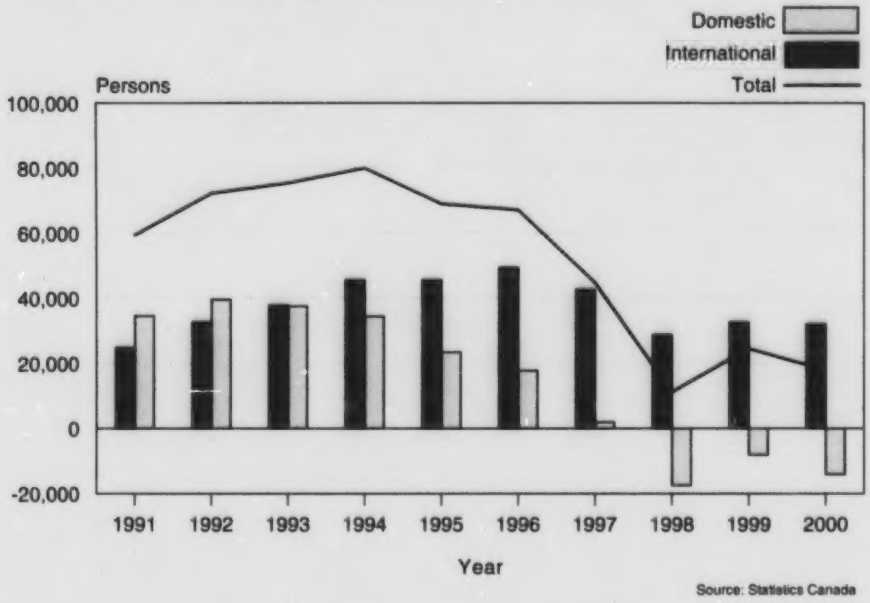
Note: Net population movement represents total inflow less total outflow.

Source: Statistics Canada

The total inflow of 17,892 to British Columbia consisted of a net *inflow* of 32,015 people from other countries and a net *outflow* to the other Canadian provinces and territories of 14,123 persons. The major destination provinces for the outflow of people from British Columbia were Alberta and Ontario.

As Chart 1.6 shows, throughout much of the 1990's the province was a net recipient of people from other provinces while it is only in the last three years that there has been a net outflow. Much of this can be attributed to relatively better economic conditions in the Alberta and Ontario economies.

Chart 1.6 British Columbia Net Immigration by Source



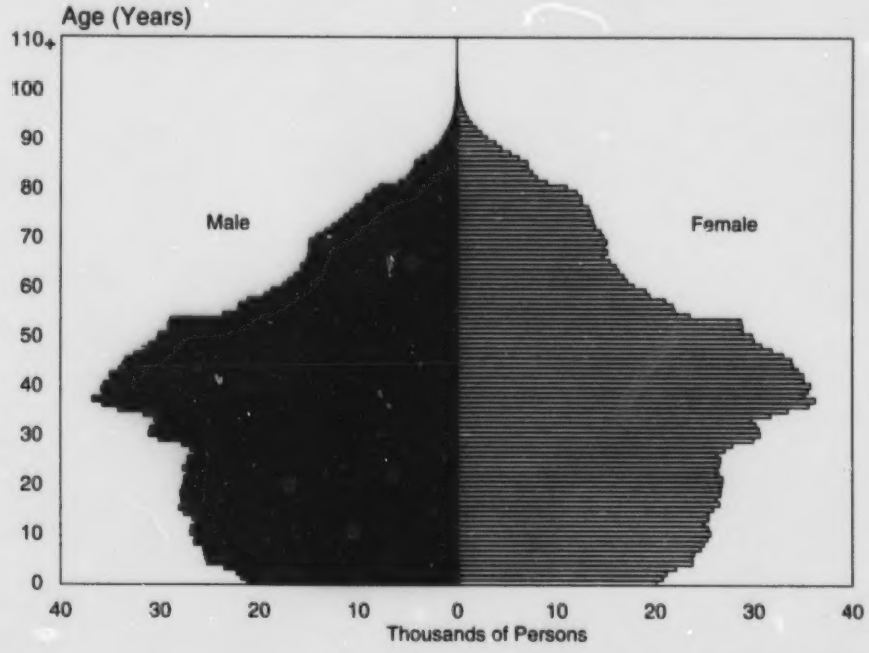
Source: Statistics Canada

At the end of 2000, British Columbia was the home of 13.2 per cent of the Canadian population, unchanged from 1999 but up from 11.8 per cent at the end of 1990. From the end of 1990 to the end of 2000, the B.C. population averaged a 2.0 per cent annual growth rate. The corresponding average growth rate for the country as a whole was 1.0 per cent per year. The strong population growth for the decade was the result of large population inflows from the other provinces earlier in the decade, and the continuing status of B.C. as a location of choice for international immigrants.

Age Structure of the Population

As in the rest of North America, the post-war baby boom and the subsequent baby bust characterize the population age structure of British Columbia. The effect of the baby boom and bust can be seen in the bulge in population between the ages 25 and 55 (see Chart 1.7). The effect of the baby boom can also be seen in the median age of the population, which was 37.4 years in 2000, compared to 34.1 in 1990. Another factor in the aging population is increased longevity; the median age at death has increased from 75.7 in 1990 to 78.4 in 2000.

Chart 1.7 British Columbia Population by Age and Sex, 2000



Source Statistics Canada

The impact of both declining birth rates and increased longevity can be seen in the change in dependency ratios. The declining birth rate has resulted in a decrease in the child dependency ratio[2] from 0.38 in 1990 to 0.34 in 2000. The effects of increased life expectancy has not as yet shown up in the elderly dependency ratio, which has remained at 0.20. The combined dependency ratio has fallen from 0.58 in 1990 to 0.54 in 2000.

Regional Population Change

The total population in all regions of the province has increased since 1990, but only two regions have seen an increased population share. The Mainland/Southwest accounted for 55.8 per cent of the province's population in 1990 and 57.0 per cent in 2000. The Thompson-Okanagon region accounted for 11.6 per cent in 1990 but increased to 12.2 per cent in 2000. This increase in population share is a reflection of the relative strength of these two regional economies and the resulting economic opportunities for residents.

Labour Force Characteristics

Stronger economic growth in British Columbia during 2000 contributed to continued employment growth. The average number of jobs for the year increased by 2.2 per cent compared to 1999. The labour force also grew but only by 1.0 per cent and, as a result, the unemployment rate declined by 1.1 percentage points to 7.2 per cent. The job growth was all in full-time employment as the number of part-time employees fell. There was an increase in both public sector and private sector employment, while the number of self-employed in the province declined.

[2] A dependency ratio is the ratio of the number of people in a given category (e.g. children, elderly) to the number of people in the working population.

Table 1.2 British Columbia Employment

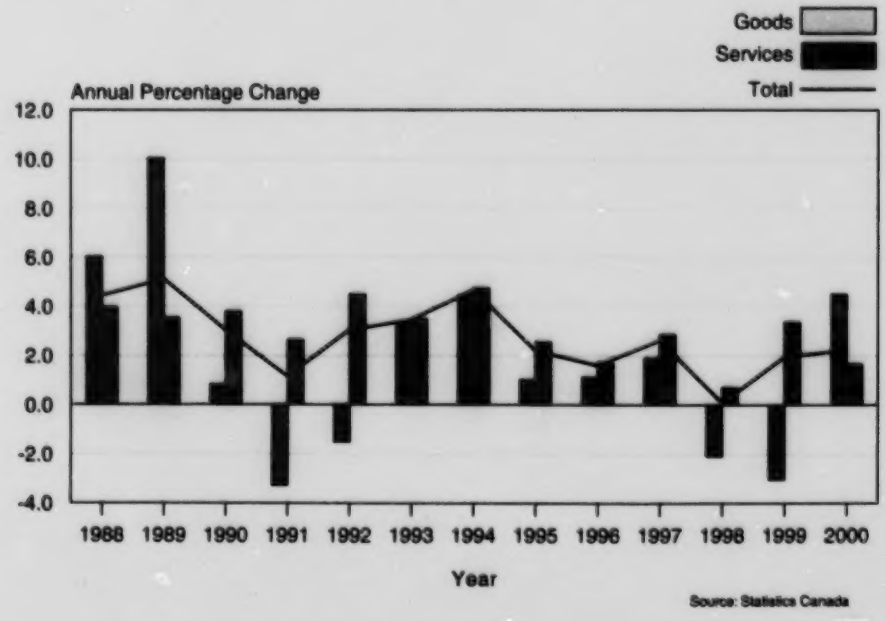
	1998	1999	2000	Per cent change 1999/2000
Part-time	403.5	411.9	402.1	−2.4
Full-time	1,466.6	1,494.5	1,547.0	3.5
Public sector	330.5	341.4	354.6	3.9
Private sector	1,151.1	1,172.6	1,228.4	4.8
Self-employed	388.7	392.8	366.1	−6.8
Total	1,870.2	1,906.4	1,949.1	2.2
Unemployment rate	8.8	8.3	7.2	−1.1*

* Difference in percentage points.
Source: Statistics Canada.

Other significant features of British Columbia labour markets in 2000 included:

- Growth in employment was equally split between men and women.
- Job growth in the goods producing sectors was 4.5 per cent, or 17,900 jobs. Employment in the service sector grew by 1.6 per cent, or 24,800 jobs.
- The participation rate (those working or available for work as a percentage of the population) in British Columbia fell from 65.1 per cent in 1999 to 64.9 in 2000.
- In 2000, a total of 403,446 worker days were lost to work disruptions throughout the province as 81 work stoppages affected 42,514 workers.

Chart 1.8 British Columbia Employment



Prices and Wages

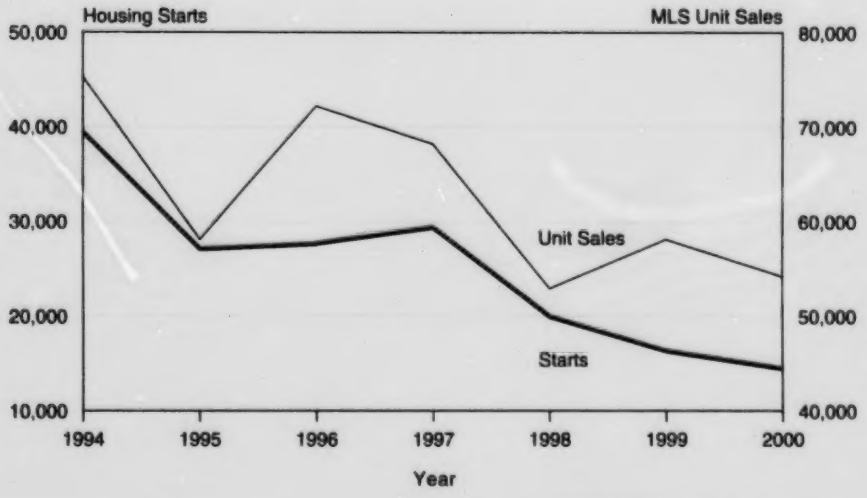
The all-items Consumer Price Index for B.C increased by 1.9 per cent in 2000, one of the lowest rates among the provinces. Shelter prices increased by 1.5 per cent after a fall in 1999. The core inflation rate, excluding the volatile food and energy prices, was 1.0 per cent. Food prices dropped by 0.5 per cent over the year.

Wage settlements for collective bargaining agreements negotiated during 2000, accelerated to 1.7 per cent from the 0.8 per cent recorded in 1999. The average increase just about covered the increased cost of living. However, due to the increased proportion of full-time workers, and the increase in the number of employed persons, total labour income was up by 6.4 per cent for the year. There were 9,181 consumer bankruptcies in 2000, up 12.3 per cent from 1999.

Consumer Expenditure and Housing

British Columbia retail sales put in a stronger performance in 2000, posting a gain of 6.3 per cent for the year, compared to 1.9 per cent for 1999. The advance was fairly evenly split between durables (automobiles, furniture, etc.) and non-durables (food, energy, services, etc.) purchases. Service stations showed the most dramatic rise with an increase of 19.1 per cent from 1999, although this was driven mostly by sharp increases in the price of fuels and not by increased volume. Auto sales in the province increased by a healthy 6.7 per cent for the year.

Chart 1.9 British Columbia Housing Market

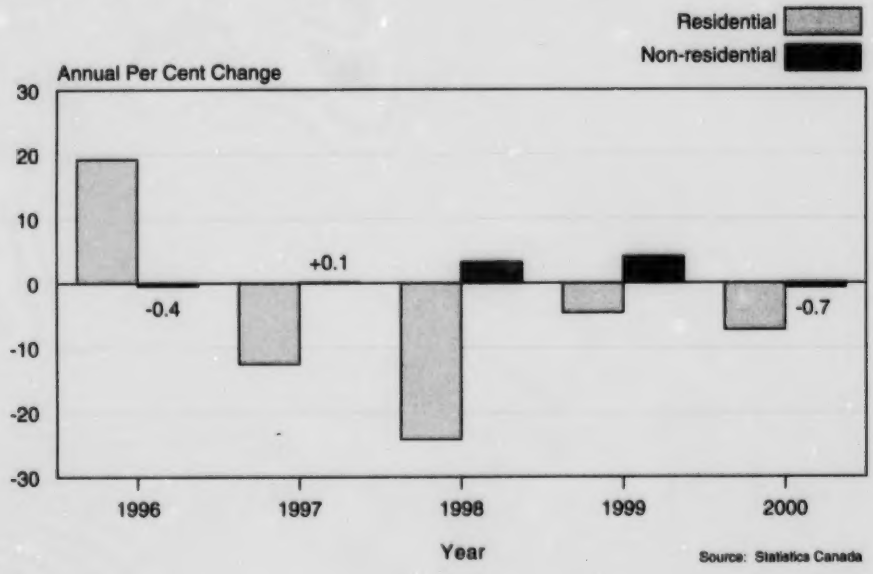


Source: Canadian Mortgage and Housing Corporation
Multiple Listings Service

As Chart 1.9 shows, the B.C. housing market has slowed in recent years as migration flows and consumer confidence weakened. This resulted in residential housing starts totaling only 14,418, down 11.6 per cent from 1999's already slow performance. Existing home sales were down 6.7 per cent.

The drop in housing demand was also reflected in a 7.3 per cent decline in residential building permits.

Chart 1.10 British Columbia Building Permits by Type



Capital Investment

According to Statistics Canada's February investment survey, total investment in British Columbia increased by an estimated 1.9 per cent in 2000. This expansion was led by private sector investment, while public sector investment fell slightly. Residential construction, including repair and maintenance, fell by 6.8 per cent from 1999's very low levels, while non-residential construction picked up by 8 per cent. The oil and gas industry was the major growth area for machinery and equipment investment. However, strength in oil and gas sector investment was outweighed by weakness in service sector investment, which subsided after 1999's surge in Y2K spending.

Table 1.3 British Columbia Capital Investment, 2000

	Construction		Machinery and Equipment		Total	
	($ millions)	(per cent change) 1999/2000	($ millions)	(per cent change) 1999/2000	($ millions)	(per cent change) 1999/2000
Public	3,139	−8.5	1,230	25.4	4,368	−1.0
Private	10,315	5.9	5,764	−2.4	16,079	2.8
Residential	*5,186*	*−6.8*	—	—	*5,186*	*−6.8*
Non-residential	*5,129*	*22.3*	*5,764*	*0.2*	*10,893*	*8.0*
Total	13,454	2.2	6,994	1.6	20,447	1.9

Source: Statistics Canada

M121

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Some significant capital investments underway or on the drawing board in 2000 included:

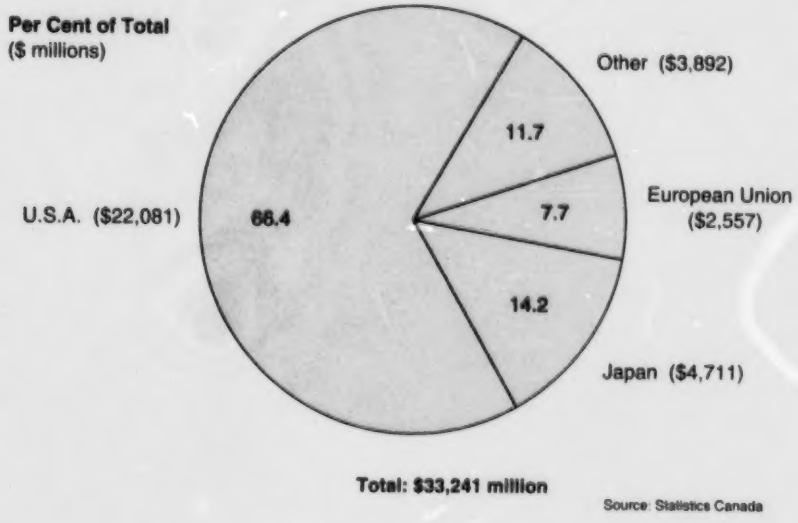
- The $1-billion Vancouver International Airport expansion
- The $200-million Kicking Horse ski area in Golden
- The $200-million Creekside residential development in Whistler
- The $125-million Crystal Mountain ski resort in Kelowna
- A $70-million film studio expansion in Burnaby
- The $110-million Harbourside business park in North Vancouver
- The $25-million fuel cell manufacturing facility by Ballard Power in Vancouver
- Ongoing *SkyTrain* construction in Greater Vancouver
- The drilling of over 755 oil and gas wells, mainly in the northeastern region.

Exports

Exports from British Columbia to other countries were up by 15.7 per cent, or $4.5 billion, for the year, to $33.2 billion. The increase in exports was broadly based; forest product exports, driven by higher pulp prices, increased by 4.9 per cent; metallic mineral exports increased 25.6 per cent; and high energy prices drove electricity exports up 333.8 per cent and natural gas exports up 94.7 per cent. Excluding energy, exports were still up 6.6 per cent.

Two thirds of the value of international merchandise exports went to the United States. British Columbia's next largest international trading partner is Japan, which accounted for 14 per cent of the province's exports. The European Union accounted for 8 per cent of provincial exports.

Chart 1.11 British Columbia Exports by Destination, 2000



Source: Statistics Canada

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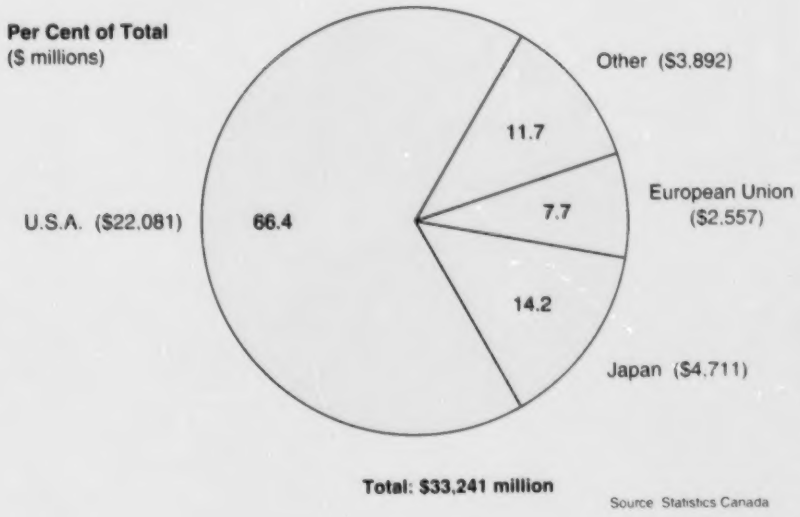


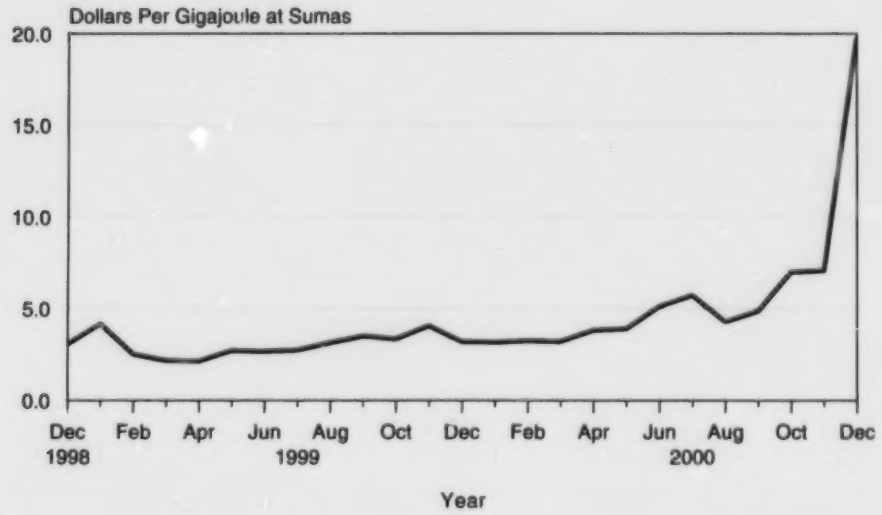
Source: Statistics Canada

Growth of exports in 2000 was not distributed evenly across all trading partners. Exports to the U.S. increased by 14 per cent; exports to Japan increased 8.9 per cent; exports to the European Union increased by 35.7 per cent; and exports to Asia other than Japan increased by 22 per cent.

Much of the increase in export values reflected increased prices more so than increased volume of goods. The Export Commodity Price Index estimated by the Ministry of Finance increased by 13 per cent from January to December. Individual components driving this increase in the ECPI were pulp (up 30.3 per cent) continuing the rise that began in 1999, and especially natural gas (up 99.5 per cent). In contrast, prices for lumber fell for the year, due mainly to increased supplies of lumber into the U.S. market. Prices for most minerals remained fairly steady. Appendix table A1.13 provides historical key export prices.

Natural gas prices, driven primarily by increased demand in the electricity generation sector, skyrocketed in 2000, with most of the increase in the second half of the year. The combination of a crisis in the California electricity market and the increased demand for heating pushed up the spot price of natural gas in December to $19.71 a gigajoule, over six times the $3.19 a year earlier. The average price for the year doubled, to $4.29 a gigajoule.

Chart 1.12 Natural Gas Prices



Source: Statistics Canada

The average price of oil increased 56 per cent compared to 1999. The price rose over the year, spurred primarily by low inventories and reduced production. Oil hit its maximum price in September before falling back slightly by the end of the year.

Industry Review

This section presents a brief review of economic activity in British Columbia, broken down into goods producing and service producing industries.

Goods Producing Sector

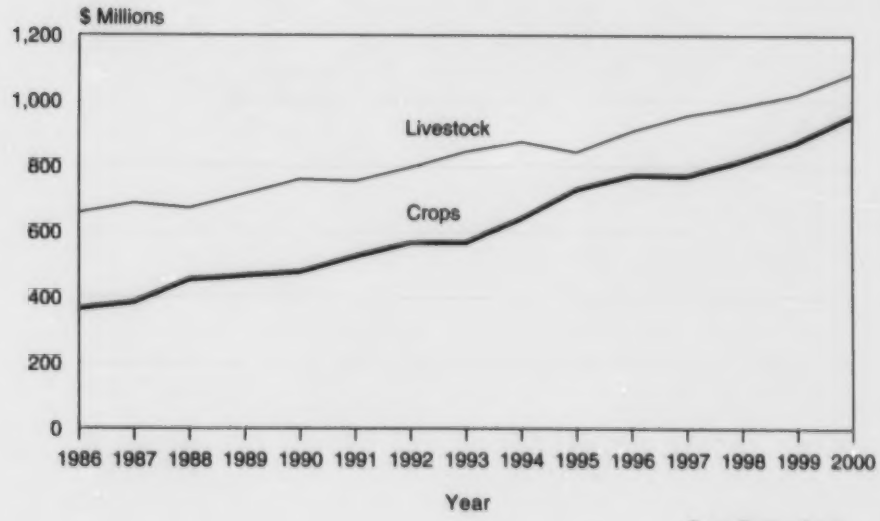
Employment in British Columbia goods producing industries rose slightly over the first half of the year, reaching a high of almost 422,000 jobs in May, before falling back and finishing the year down 6,000 jobs from December of 1999. However, average employment throughout the year in the goods sector increased by 4.5 per cent from 1999. The long-term trend is a decline in the importance of goods sector employment, which fell from 25 per cent of all jobs in 1990 to 21.3 per cent in 2000.

There are seven main industry groups within the goods producing sector: agriculture, fishing, forestry, mining, manufacturing, construction and utilities. In 2000, these industries generated an estimated 23 per cent of British Columbia's Gross Domestic Product and employed 21 per cent of the province's almost 2 million workers. Within the goods sector, the largest industry, in terms of employment, is manufacturing, which employed an average of 205,400 people in 2000 and the smallest is the utilities sector, which employed an average of 11,300 people in 2000.

Agriculture

In 2000, farm cash receipts in British Columbia were $2,076 million, up 7.3 per cent from 1999. Crop receipts made up 46 per cent of the total and increased by 9.0 per cent driven by growth in field crop prices and an expanding greenhouse industry. Livestock receipts increased by 4.9 per cent, driven primarily by the hog industry. Employment in agriculture increased by 1,100 people to 29,700 jobs.

Chart 1.13 British Columbia Farm Cash Receipts



Source: Statistics Canada

Forestry and Logging

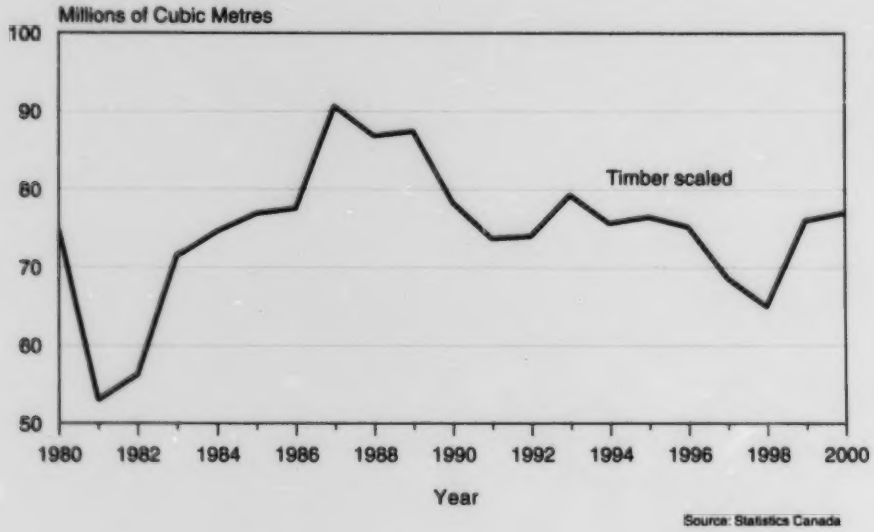
The province's logging and forestry industry, which includes logging and silviculture (the other main forestry activities, lumber and pulp and paper production, are included in manufacturing) employed 37,100 people in 2000, up 22.8 per cent from the 1999 level.

A tree planter working near McBride, B.C.

(Photo courtesy of Ministry of Forests)

The British Columbia timber harvest in 2000 was 77 million cubic metres, up slightly from the 76 million cubic metres in 1999. This increase in production is one of the factors driving the substantial increase in forestry employment. About 70 per cent of the harvest occurs in the Interior, with coastal forests supplying the remainder. Since 1987, harvesting levels have trended down in part due to the need to ensure sustainable levels over the longer term. The second consecutive increase in the harvest puts the provincial harvest back to levels last seen in 1993.

Chart 1.14 British Columbia Timber Harvest

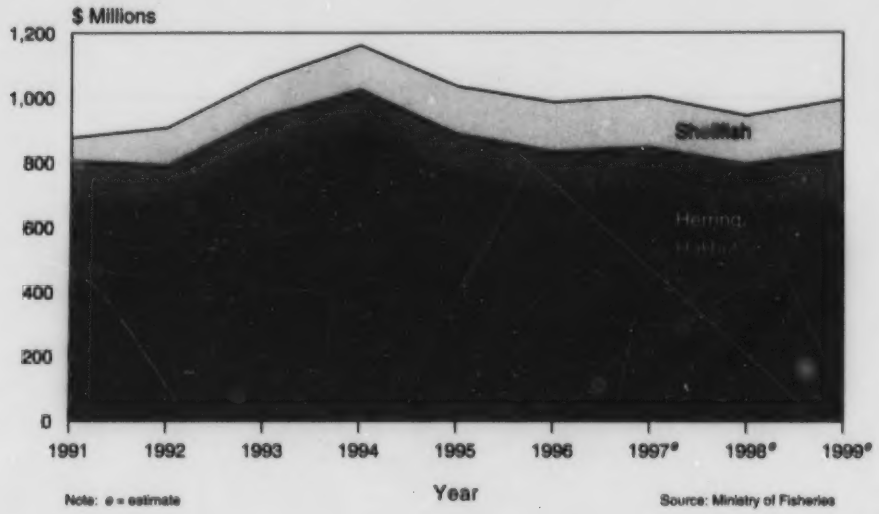


Fishing, Hunting and Trapping

Employment in fishing, hunting, and trapping industries is also very volatile. In 2000, 4,800 people were working in this industry, an increase of 20 per cent over the 4,000 working in 1999. The last two years have shown gains in this industry but this is in contrast to the downward trend throughout the nineties. This downward trend is a result of a combination of circumstances but primarily declining fish stocks, and policy measures to reduce size of the fishing fleet.

In 2000, the wholesale value of all B.C. seafood products from wild, farmed and imported sources was approximately $1 billion. Increased focus on value-added processing of all species resulted in higher wholesale value for the province, as new products and processing techniques ensured access to niche markets. The industry shipped $895 million worth of seafood to more than 45 countries.

Chart 1.15 Wholesale Value of British Columbia Seafood by Species



Mining, Oil and Gas

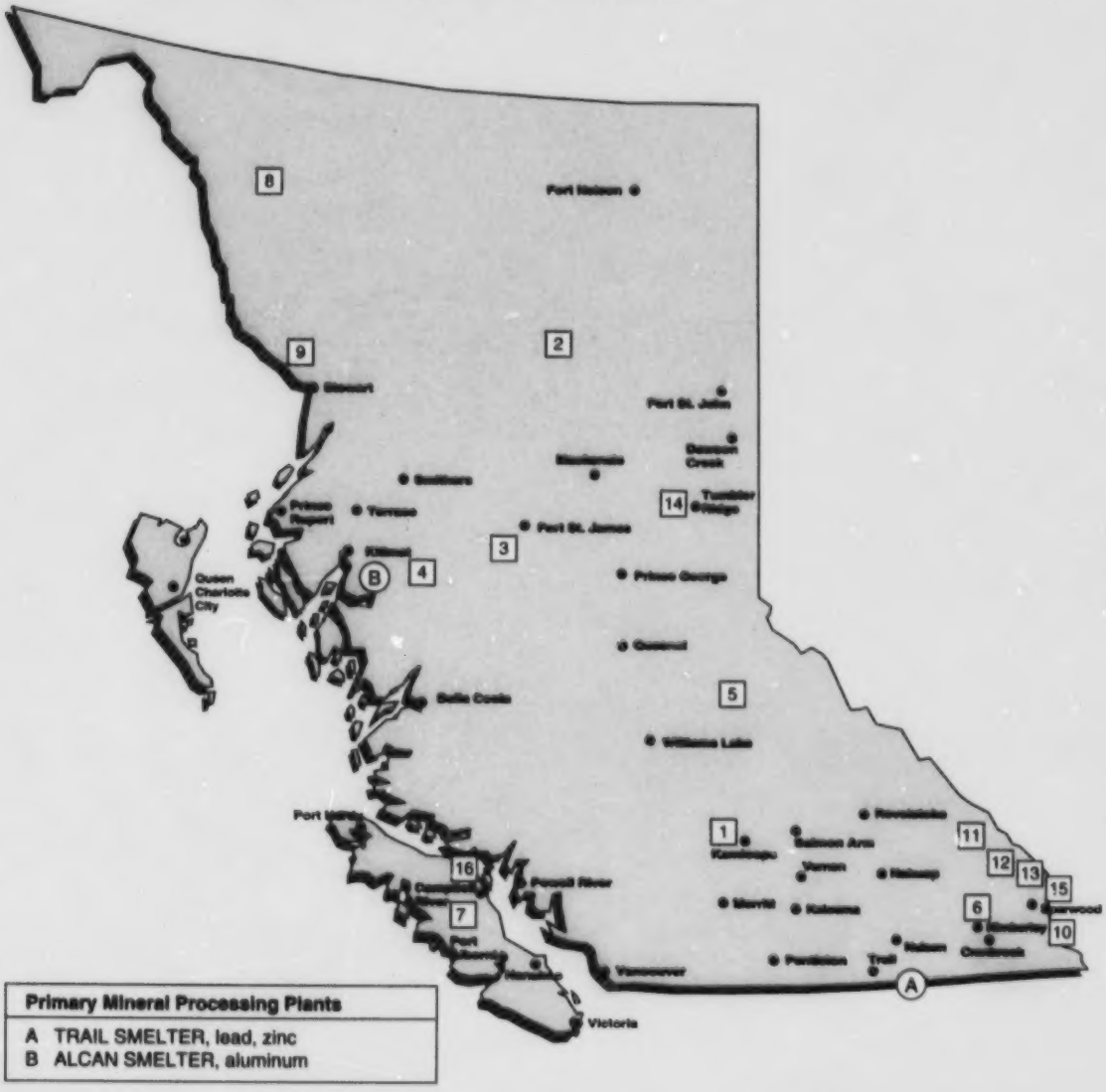
Most of British Columbia lies within the Western Cordillera, a geologic formation that contains a wide variety of valuable minerals. The province is a major producer of coal and natural gas, as well as metals such as gold, silver, lead, zinc, copper and molybdenum. Mineral production in the province has been helped during the past three decades by technological advances in exploration and mining and by the establishment of new markets.

Primary mining activities in the province, the extraction of metals, non-metallic minerals, coal, oil, and gas as well as quarrying and services such as drilling and exploration, employed 13,400 people in 2000, down from 14,800 in 1999 despite growth in the natural gas sector. This continues a trend that began in the mid 1990s.

In 2000 the total production of metals was $1.572 billion. The most important minerals are copper, gold and zinc, which together account for over $1.3 billion of the total value of production. Highland Valley Copper of Kamloops, the province's largest copper mine, reported record production of 407.7 million pounds in 2000. Coal production had a value of $800 million in 2000 and non-metal mineral production had a value of $1.3 billion.

Coal markets and prices bottomed in mid-2000 after three consecutive years of declining prices. Those weak markets caused the Quintette Coal Mine to finish mining on August 31, 2000. Strong growth in world steel production in early 2000 and demand for thermal coal in U.S. markets contributed to a better balance of supply and demand for Canadian producers and significantly higher spot prices later in the year.

Map 1.2 Operating Metal and Coal Mines (as of July 2001)

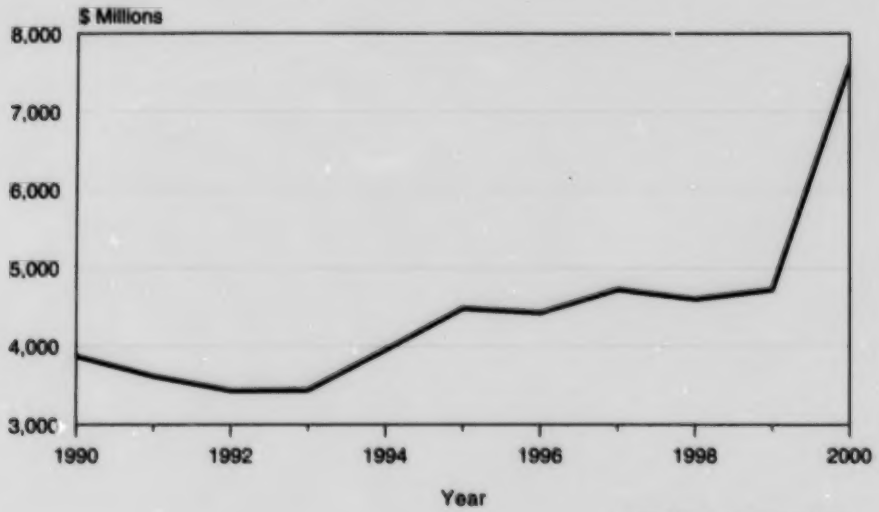


Primary Mineral Processing Plants
A TRAIL SMELTER, lead, zinc
B ALCAN SMELTER, aluminum

OPERATING MINES

	Company Name (Mine Name)	Location	Capacity (tonnes/day)	Products
1	Highland Valley Copper (Highland Valley Copper)	Highland Valley	120,000	Copper, molybdenum, silver, gold
2	Northgate Exploration Ltd. (Kemess)	Thutade Lake	50,000	Copper, gold
3	Thompson Creek Mining Co. (Endako)	Fraser Lake	30,000	Molybdenum
4	Imperial Metal Corp. (Huckleberry)	Kemano	18,000	Copper, molybdenum, gold, silver
5	Imperial Metal Corp. (Mount Polley)	Likely	18,000	Copper, gold
6	Cominco Ltd. (Sullivan)	Kimberley	6,900	Zinc, lead, silver
7	Westmin Resources Ltd. (Myra Falls)	Buttle Lake	3,500	Copper, zinc, lead, gold, silver
8	Wheaton River Resources Ltd. (Golden Bear)	NW B.C.	1,000	Gold
9	Prime Resources Group Ltd. (Eskay)	Stewart	300	Gold, silver
10	Fording Coal Ltd. (Coal Mountain Operations)	Sparwood	n/a	Coal
11	Fording Coal Ltd. (Fording River Operations)	Elkford	n/a	Coal
12	Fording Coal Ltd. (Greenhills Operations)	Elkford	n/a	Coal
13	Luscar Ltd. (Line Creek)	Sparwood	n/a	Coal
14	Teck Corp. (Bullmoose)	Tumbler Ridge	n/a	Coal
15	Teck Corp. (Elkview)	Sparwood	n/a	Coal
16	Hillsborough Resources Ltd. (Quinsam)	Campbell River	n/a	Coal

Chart 1.16 British Columbia Minerals, Oil and Gas Production



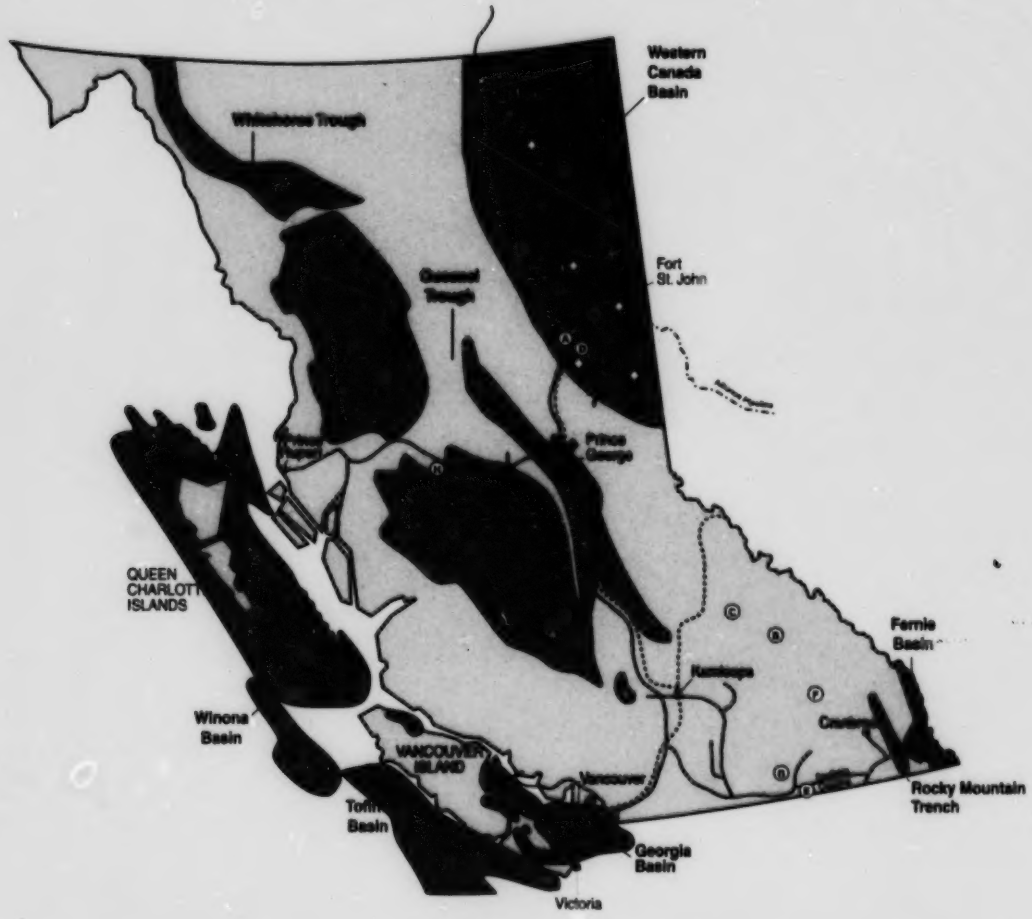
Source: Ministry of Energy and Mines

The production of oil and gas has become an increasingly important contributor to the British Columbia economy. Together oil, natural gas, and gas by-products production was worth $4.7 billion in 2000, more than double the $2.2 billion for 1999. Natural gas sales were $3.8 billion in 2000. Rapidly increasing oil and gas prices, due to the impact of increased demand running up against industry capacity constraints, were the major factor accounting for the increased value of British Columbia production.

Manufacturing

The British Columbia manufacturing industry employed 205,400 people in 2000. Within the sector, the largest employers were the wood products manufacturing industry, the paper manufacturing industry and food manufacturing. Other important industries within the sector were metal fabricating, printing and publishing, machinery and equipment, transportation manufacturing and manufacturing of consumer goods such as furniture, fixtures, plastics, and clothing.

Map 1.3 Provincial Pipeline Network and Major Hydroelectric Dams



Legend

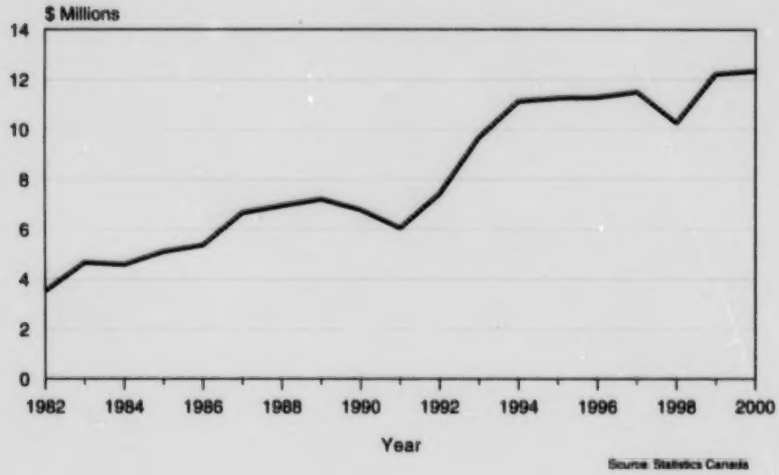
- Gas Pipeline
- Major Gas Plants
- Oil Pipeline
- Oil Refineries
- Alliance Pipeline
- Sedimentary Basins

DAMS	RIVERS	LAKES/ RESERVOIRS	YEAR OF INITIAL OPERATING	OPERATION CAPACITY (KW)
A W.A.C. Bennett	Peace	Williston	1968	2,730,000
B Revelstoke	Columbia	Revelstoke	1984	1,980,000
C Mica	Columbia	Kinbasket	1976	1,805,000
D Peace Canyon	Peace	Dinosaur	1980	694,000
E Seven Mile	Pend d'Oreille	Seven Mile	1979	594,000
F Duncan	Kootenay	Duncan	1967	Storage Dam
G Hugh Keenleyside	Columbia	Arrow	1968	Storage Dam
H Kenney (Alcan)	Nechako	Nechako	1952	Storage Dam

British Columbia manufacturers produce a wide range of forest products such as lumber, pulp and paper, oriented strand board, plywood, cedar shakes and shingles, and value-added wood products. The value of wood product shipments from the province was up 0.8 per cent from 1999. This reflects the combination of a lower average price combined with an increased volume of harvested timber.

Exports of British Columbia solid wood products to other countries fell slightly in 2000 to $9.6 billion from $10.1 billion in 1999.

Chart 1.17 British Columbia Manufacturing Shipments of Wood Products

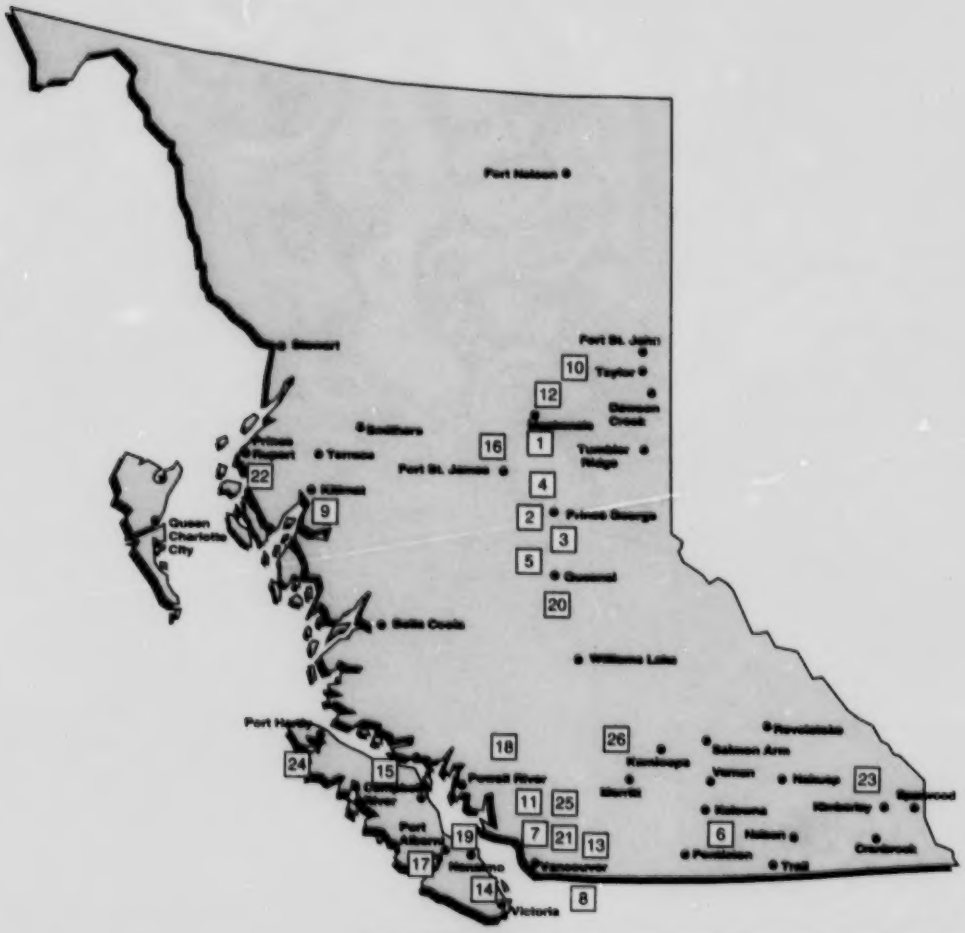


The major market for British Columbia newsprint is the western United States. B.C. production of paper and allied products increased by 24.0 per cent over 1999 levels to $7.9 billion. The majority of the production was for export; pulp and paper exports increased by 23.7 per cent to $6.7 billion, driven mostly by higher pulp prices. The increase in pulp prices over the year fed into newsprint prices, resulting in a 24.4 per cent increase in the value of paper shipments. Newsprint exports fell slightly to $726 million from $754 million in 1999.

The food and beverage manufacturing industry employed 23,700 people in 2000, up from 20,400 in 1999. About one half of the production in this industry originates in meat and fish processing while other food manufacturers are involved in processing locally produced agriculture products to manufacture canned and frozen fruits and vegetables. In 2000 the value of food shipments declined 0.7 per cent while beverage shipments rose slightly.

Machinery and equipment manufacturing in British Columbia accounted for 33,100 jobs in 2000, up slightly from 1999. The sector accounted for $3.7 billion in exports, or 11.2 per cent of British Columbia's total exports. A large decline in motor vehicles and parts exports was more than counteracted by increases in electronic/communications exports and other goods to result in a 2.6 per cent increase in sector exports over the year.

Map 1.4 Pulp and Paper Mills (as of December 2000)



For integrated mills, pulp capacity includes pulp which is used internally to produce paper and to produce market pulp (if any) which is shipped from the mill site. Annual capacity is based on 345 operating days per year.

	Company	Location	Estimated Annual Capacity (tonnes) Pulp	Paper
			(thousands)	
1	Abitibi-Consolidated Inc.	Mackenzie	184	173
2	Canadian Forest Products Ltd.	Prince George	545	—
3	Canadian Forest Products Ltd. (Intercontinental Div.)	Prince George	292	—
4	Canadian Forest Products Ltd. (Prince George Pulp and Paper Div.)	Prince George	269	107
5	Cariboo Pulp and Paper Co. Ltd.	Quesnel	324	—
6	Celgar Pulp Ltd.	Castlegar	414	—
7	Crown Packaging Ltd.	Burnaby	—	119
8	E.B. Eddy Forest Products Ltd.	New Westminster	—	207
9	Eurocan Pulp and Paper Co.	Kitimat	449	449
10	Fibreco Pulp Inc.	Taylor	221	—
11	Howe Sound Pulp and Paper Ltd.	Port Mellon	533	197
12	Louisiana Pacific Canada Ltd.	Chetwynd	160	—
13	Newstech Recycling Inc.[1]	Coquitlam	155	—
14	Norske Skog Canada Ltd.	Crofton	774	398
15	Norske Skog Canada Ltd.	Duncan Bay	776	593
16	Norske Skog Canada Ltd.	Mackenzie	250	—
17	Pacifica Papers Inc.	Port Alberni	207	497
18	Pacifica Papers Inc.	Powell River	633	449
19	Pope and Talbot Ltd.	Cedar	392	—
20	Quesnel River Pulp Co.	Quesnel	331	—
21	Scott Paper Ltd.	New Westminster	26	83
22	Skeena Cellulose Inc.	Prince Rupert	431	—
23	Tembec Industries Ltd.	Skookumchuk	255	—
24	Western Pulp Ltd. Partnership	Port Alice	173	—
25	Western Pulp Ltd. Partnership	Woodfibre	261	—
26	Weyerhaeuser Company Ltd.	Kamloops	466	—
			8,501	3,272

[1] Uses recycled newsprint to produce pulp.

Construction

Construction work in the province ranges from building single-family dwellings, commercial buildings and institutions, to roads, highways, dams and other industrial structures. Housing starts were down 11.6 per cent from 1999, the third consecutive year of declines. Building permits fell by 4.3 per cent, led by a 7.3 per cent decrease in residential permits. Non-residential permits were also down slightly for the year.

The construction sector employed 112,500 people in 2000, or 5.8 per cent of the provincial total. This is down slightly from the 115,300 people employed in 1999, continuing a trend that began in 1998.

Utilities

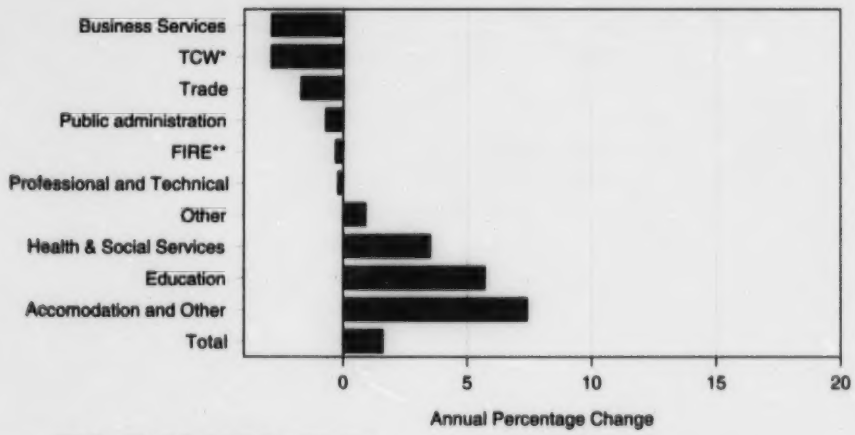
The utilities sector includes electric power and gas distribution, water systems and others, such as waste disposal. This sector accounted for 11,300 jobs in 2000, down slightly from 1999.

Electric power generation and natural gas distribution (natural gas production is included in the mining, oil and gas sector) account for most of the industry's output. Much of the electrical production is consumed within the province, but exports accounted for $2 billion in 2000, up from $458 million in 1999, due mostly to record prices in the western U.S.

Service Producing Sector

After job growth of 3.3 per cent in 1999, employment in the service producing industries grew by only 1.6 per cent to 1.5 million jobs in 2000. Overall, this sector employed 79 per cent of the workers in the province and produced an estimated 77 per cent of provincial GDP. Growth in service sector employment occurred in management, administrative and other support, educational services, health care, information, and accommodation industries.

Chart 1.18 British Columbia Employment in Service Industries, 2000



*TCW: Transportation, Communication, and Warehousing
**FIRE: Finance, Insurance, and Real Estate

Source: Statistics Canada

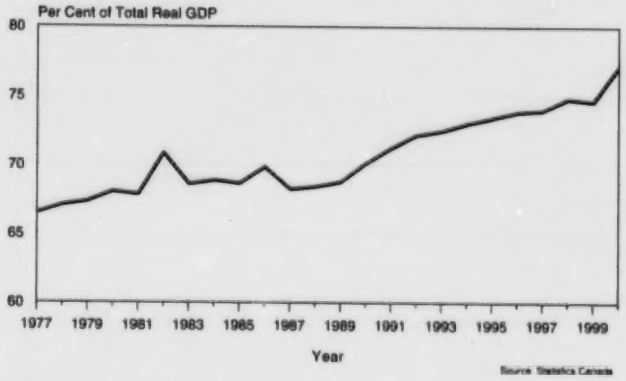
Transportation and Warehousing

The transportation and warehousing industries employed 114,400 people in 2000, down from 117,900 in 1999. Transportation industries — air, rail, water, truck, bus, and other transportation services — account for 64 per cent of the employment in this sector. Trucking and air transportation are the largest of these industries in British Columbia.

Diversification

During the past 25 years, the British Columbia economy has become more diversified in terms of its industrial structure, employment, production and trade. The economy has evolved from one based on the harvest and export of resources, including trees, minerals and fish, to a more complex industrial structure that encompasses secondary manufacturing and an extensive service sector. British Columbia has one of the largest service sectors among Canadian provinces.

Service Sector as Share of Total Economy



While traditional industries have continued, new industries have emerged. British Columbia now boasts a growing high-tech sector, film and television production industry and tourism sector. Within manufacturing, the province has diversified production into apparel, plastics, machinery and equipment, electronics, computers and motor vehicles.

Along with the changing industrial structure, the employment share has shifted. Service sector employment now accounts for almost 80 per cent of total employment in 2000, up from 70 per cent in 1977.

The trucking industry increased employment by 2,900 jobs, or 10.4 per cent in 2000. The expansion of this industry reflects a long-term switch from rail to truck transportation.

Air transportation employment fell by 1,000 jobs to 18,900. Total passenger arrivals and departures fell slightly in Victoria but rose in Vancouver. Air cargo volume from Vancouver fell by 6.4 per cent to 252 thousand tonnes. Nevertheless, with the increased passenger traffic, the airport posted a profit of $57.1 million. A sharp rise in foreign cargo handling increased the total cargo for the port of Vancouver by 7.6 per cent to 77 million tonnes.

Rail car loadings in B.C. fell by 8 per cent in 2000, to 164 thousand cars. As a result of the reduced activity in this industry, employment in rail transportation fell by 28 per cent, to 6,100. This is further evidence of the substitution away from rail freight towards other transportation services.

An important subgroup of transportation is the scenic and sightseeing transport industries. Employment in these industries grew by 1,400 jobs in 2000 and was at a historical high in 2000, reflecting British Columbia's growing tourism sector.

Educational Services

Education employment increased by 5.8 per cent in 2000. Within the sector, primary and secondary school employment increased by 12.9 per cent while employment in the other categories held constant or declined.

Management, Administrative and other Support

This sector, which includes employment services, business services, traveling services, security services, building services, management, and waste management, increased its employment by 12.2 per cent to 71,900 jobs. All of the sub-sectors, with the exception of traveling services, shared in the employment gains. Within the industry, the largest employer is building services, such as building maintenance, which employs 33,000 workers.

Accommodation and Food Services

This sector includes hotels and motels and food and drinking establishments. The activity in this sector of the economy is closely related to overall tourist activity by residents as well as foreign visitors. Increasing demand led to an 8.1 per cent growth in restaurant, caterer and tavern receipts and an 8.5 per cent growth in room revenue. The increasing activity produced a rise in employment in this sector of 7.4 per cent.

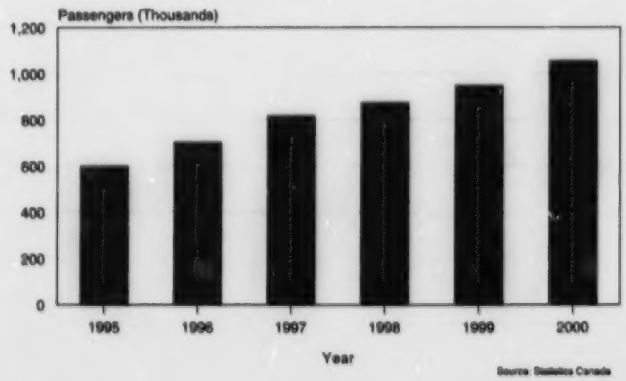
Tourism in British Columbia

The tourism sector in British Columbia is a compilation of activities in other sectors including, for example, accommodation, transportation and retail trade.

The tourism industry in British Columbia grew in 2000 but at a slower rate than last year. The number of international overnight visitors from all countries was up 2.3 per cent, with the number of American overnight visitors up 1.4 per cent and the number of overseas visitors up 5.0 per cent. Passenger traffic through the Vancouver International Airport during 2000 hit a record 16.0 million, an increase of 1.0 per cent from 1999. The major source of this increase was international traffic, which was up 2.5 per cent from 1999.

In addition, the growing popularity of Alaska cruises led to an 11.0 per cent increase in the number of cruise ship passengers to 1,053,989 passengers in 2000, with the number of sailings rising to 336 from 309 in 1999. The Vancouver Trade and Convention Center saw a slight decrease in the number of delegate days hosted.

Cruise Ship Passengers Visiting Vancouver



Trade

During 2000, nearly one in six workers in British Columbia was employed in a retail or a wholesale establishment, making this sector the province's second largest employer. Most of the employment in the trade industry is in the retailing industry (236,100 jobs) while wholesalers employ less than half as many people (67,200 jobs). Employment in the British Columbia trade sector fell 1.7 per cent from 1999 levels, to 303,200 jobs. The decline was centered in the wholesale sub-sector, where employment fell by 12,400 jobs. The retail sector actually showed growth of 7,200 jobs for the year.

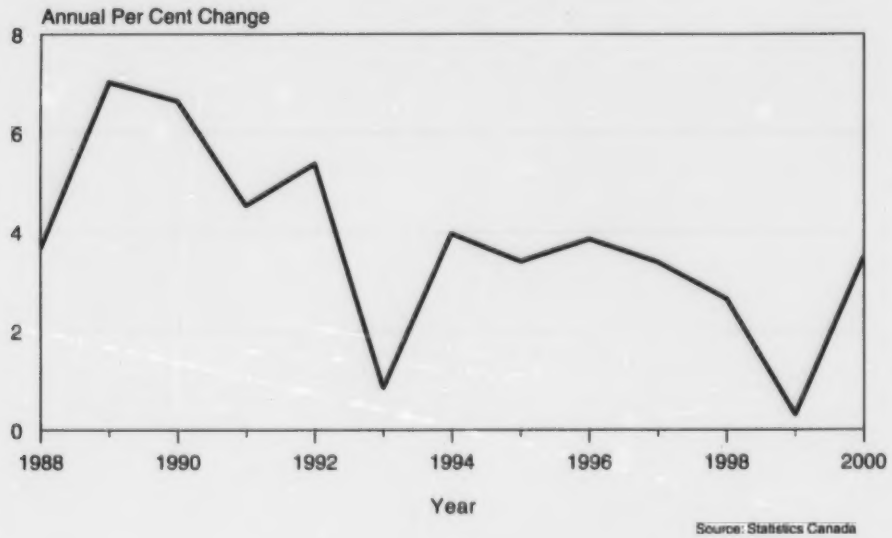
Wholesale trade involves the purchase of merchandise for resale to retailers, as well as for sale to industrial, commercial, institutional, farm or professional business users. Wholesalers may also act as agents or brokers for buying or selling goods. In British Columbia the two largest groups of wholesale activities are food, beverage, and tobacco wholesalers and machinery, equipment and supplies wholesalers. In total, wholesale sales rose 2.1 per cent to $38.9 billion.

Victoria's retail-oriented Market Square area.

(Photo courtesy of Tourism B.C.)

Retail trade is a diverse industry, ranging from outlets selling big-ticket items such as motor vehicles, to supermarkets and department stores and smaller establishments such as corner stores, gas stations and garden centers. Retail trade was up 6.3 per cent. Gasoline retailers experienced large gains, up 19.4 per cent due to the increase in gas prices over the year. Retail sales of durables were up 8.1 per cent, slightly more than the average for all stores. Consumer durables tend to do well in a strong economy but poorly in a weak economy, as consumers put off purchases of new cars, appliances and other durables.

Chart 1.19 British Columbia Health and Social Service Employment



Healthcare and Social Assistance

The health and social services industry includes publicly operated hospitals, doctors' and dentists' offices, homes for people requiring medical or other care, medical labs, day care centers and pre-schools, and other types of social services. Employment in this sector grew by 3.5 per cent, to 202,100 jobs. Job growth was strongest in hospitals while ambulatory health services experienced a decline in employment. The social assistance sector employed 51,500 people as social workers, counsellors and other related occupations. Since 1988 the average annual growth rate in this sector is 3.7 per cent per year, higher than the economy-wide growth rate of 2.7 per cent.

Finance, Insurance, Real Estate and Leasing

The finance, insurance, real estate and leasing sector includes chartered banks, credit unions, other financial institutions, insurance carriers and agencies, real estate brokers and agents, investment dealers, stock exchanges, operators of commercial and residential buildings and leasing agents. In 2000 there were 119,500 people employed in this sector in British Columbia, down slightly from 1999. Credit intermediaries such as banks and credit unions employ the largest group, 41,600, which grew slightly from 38,500 in 2000. There were 29,500 people employed in real estate in 2000, down 12.2 per cent from 1999. The rapid decline in this sector reflects the slowdown in home and other real estate sales over the year.

Public Administration

Public administration comprises local, provincial and federal government ministries and agencies, including correctional facilities, courts, law enforcement, military, and firefighting agencies. It includes the administrative arm of the public service but excludes many organizations and activities that are publicly funded such as schools, hospitals, and road construction. Employment in this sector fell slightly, from 90,400 in 1999 to 89,700 in 2000. Federal government payrolls in the province increased slightly, while provincial payrolls fell. Employment by other public employers remained approximately the same for the year.

The Bank of Montreal, Nelson, B.C.

(photo courtesy of Tourism B.C.)

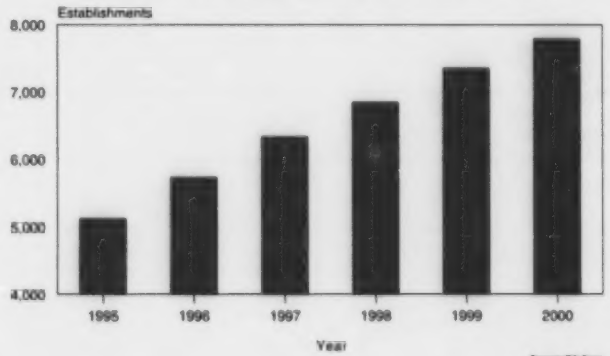
British Columbia's High-Tech Sector

The high-technology sector comprises technically advanced activities in various industries. It includes some manufacturing (such as electronics), as well as computer services, engineering, and bio-technology.

The high-tech sector has grown rapidly in the last five years and continued this performance into 2000. BC STATS estimates real GDP for this sector was up 16.5 per cent in 2000 to $3.7 billion. High tech now accounts for 3.9 per cent of the province's output and employed 60,890 people in 2000, about 3.1 per cent of the provincial workforce. There were 7,786 high-tech establishments in 2000, up 5.9 per cent from 1999. Computer services are the largest single industry in this sector, with 2,297 establishments. Appendix Table A1.28 includes high-tech activity indicators.

Exports of British Columbia high-tech commodities totalled $947 million in 2000, up 16 per cent from 1999.

High-Technology Sector Establishments



Professional, Scientific and Technical Services

This sector includes legal, accounting, tax-preparation, architectural and engineering, computer system design, advertising, management, and other professional and technical services. Employment in this industry fell slightly to 136,400 from 136,700. The major growth area was the high technology industry which boomed in the last half of the 1990's and in 2000. This sector increased employment by 16.2 per cent for the year. Engineering also received a boost from the high tech boom, increasing employment by 8.5 per cent for the year. The biggest fall came from advertising and related services, where employment fell by 1,800 jobs.

Information, Culture and Recreation

These industries include the publishing industry, the film industry, broadcasting, data processing, performing arts, heritage institutions (such as museums), and other amusement industries. This is a rapidly growing sector in the British Columbia economy with employment increasing by 8.4 per cent in 2000 to 99,300 jobs. All of the sub industries, except for performing arts and spectator sports, increased employment over the year. Over the past ten years, employment in this industry has grown by 48 per cent.

Other Services

This industry contains a variety of services, from laundry service, to clergy, to personal services such as housecleaning. This sector showed a substantial decline in 2000, falling by 5.6 per cent. Private household services and personal and laundry services led this decline. However, the trend for this industry is still upwards, as 2000 was the second highest employment year on record.

Regional Review

Geographically, British Columbia is divided into eight "development regions". These regions vary widely in their amount and type of economic activity. This section examines each of the regions and provides an overview of their economies. Appendix Table A1.4 provides historical population figures for the regions and Appendix Table A1.9 shows detailed labour force characteristics for the regions.

Vancouver Island/Coast

The Vancouver Island/Coast region comprises all of Vancouver Island, numerous smaller islands and a section of the coastal mainland stretching from Powell River to Bella Coola. Rugged mountains predominate the topography, except for a narrow coastal plain extending along the east coast of Vancouver Island. Regular ferry services link the Island to various points on the mainland, and the Island Highway, which has recently been upgraded, serves the eastern portion of the Island. The Gold River and Tofino highways provide easy access to the West Coast. The region covers 9.8 per cent of the total land area of the province and accounts for 17.9 per cent of the population.

Table 1.4 Vancouver Island/Coast Development Region, 2000

	Vancouver Island/Coast	Provincial Share		Vancouver Island/Coast	British Columbia
		(per cent)		(per cent)	
Population	726,052	17.9	Employment rate[1]	57.9	60.2
Employment	325,800	16.7	Unemployment rate	7.8	7.2
Business establishments	45,955	15.9	Population change, 1999/2000	0.4	0.9

[1] Percentage of working population with jobs.
Sources: BC STATS; Statistics Canada.

The region is second only to the Mainland/Southwest in terms of population and economic activity. Its population is concentrated in Victoria, the provincial capital, and population density diminishes from south to north. The Capital region is a major centre for trade, tourism, education, public administration and a growing high-technology sector. Elsewhere, the primary and resource-related manufacturing industries provide the region's main economic support, with forest products in a leading role. Logging and sawmilling activity is widespread. Farming, commercial and sport fishing, aquaculture and mining are well represented. Tourism and in-migration of retirees also contribute to economic activity.

Mainland/ Southwest

The Mainland/Southwest region is the smallest region geographically with only 4.2 per cent of the province's land area; however, it contains 57 per cent of the province's population. The region consists of the lower Fraser Valley, associated uplands and the mountains that border them. It also encompasses part of the adjacent mainland coast connected to Vancouver by the coastal ferry system, as well as the Squamish and Lillooet River valleys that are linked to Lillooet through Anderson and Seton Lakes, and the Sunshine Coast.

Table 1.5 Mainland/Southwest Development Region, 2000

	Mainland/ Southwest	Provincial Share		Mainland/ Southwest	British Columbia
		(per cent)			(per cent)
Population	2,317,075	57.0	Employment rate[1]	61.5	60.2
Employment	1,177,900	60.4	Unemployment rate	6.2	7.2
Business establishments	173,213	59.8	Population change, 1999/2000	1.0	0.9

[1] Percentage of working population with jobs.
Sources: BC STATS; Statistics Canada.

The Lower Mainland is the leading centre for many activities in the province, including manufacturing, services, trade, farming and fishing. The urban centre of Greater Vancouver is the hub for most financial, educational, tourist, transportation, cultural and industrial activity in the region, while the resource industries play a major role in the less densely populated areas. The forest resource industries are particularly significant in the Squamish, Lillooet, Hope-Fraser Canyon, Sunshine Coast, Kent-Harrison and Mission areas. In the Squamish area, railcar maintenance, port operations and tourism provide additional economic support. In the Chilliwack area, agriculture is the dominant resource activity. Tourism is important throughout the region, with significant activity in the Whistler area, and important developments in the cruise ship industry and Vancouver International Airport.

The provincial high-technology sector is centred in this region due to the proximity of university and other research enterprises, urban amenities, and extensive air, sea and land transportation links. Information technology dominates the sector, but engineering, aerospace and bio-technology are also important.

Thompson/ Okanagan

The Thompson/Okanagan region covers the Okanagan, Similkameen, Nicola and Thompson valleys, as well as the highway-rail corridor from Golden to the Fraser Canyon at Lytton. The region contains a diverse topography, ranging from high mountains and fertile valleys to a desert region at the southern end of the Okanagan Valley. The region contains 10.8 per cent of the provincial land area and 12.2 per cent of the population.

Table 1.6 Thompson-Okanagan Development Region, 2000

	Thompson/ Okanagan	Provincial Share		Thompson/ Okanagan	British Columbia
		(per cent)			(per cent)
Population	495,749	12.2	Employment rate[1]	56.0	60.2
Employment	212,700	10.9	Unemployment rate	9.2	7.2
Business establishments	34,828	12.0	Population change, 1999/2000	1.4	0.9

[1] Percentage of working population with jobs.
Source: BC Stats; Statistics Canada.

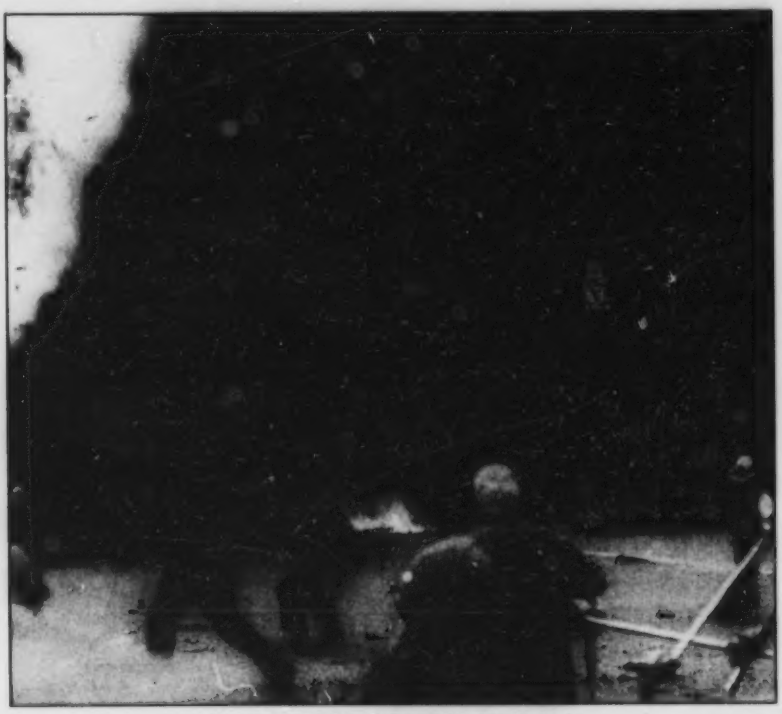
The predominant industries in the region are forestry, mining, agriculture and tourism. Manufacturing, transportation and trade services are also key contributors to the economy. Much of the western half of the region is prime cattle range, while forest industry activity is widespread throughout the region.

The Highland Valley area, southwest of Kamloops, contains a number of copper/ molybdenum mines that are consolidated into a single operation that is one of the largest in the world. Mineral exploration activity continues, and future mining activities will depend on favourable prices and the resolution of environmental concerns associated with development. Four major mines have closed in the last few years due either to ore depletion or poor metal prices.

British Columbia's Film and TV Production Industry

Film and TV production revenue reached $1.18 billion in 2000. A total of 192 productions were filmed in British Columbia in 2000, including 54 feature films. Vancouver is the third largest film production area in North America, behind only Los Angeles and New York. Employment in motion picture and sound recording industries as well as broadcasting and telecommunications totalled 36,600 in 2000, up from 33,800 in 1999.

- The province has 70 post-production facilities, 50 shooting stages and 2 water tanks.
- British Columbia has the ability to crew and service 35 projects simultaneously.
- Lions Gate Studio is Canada's largest film and television studio facility.



Scene from TV pilot *Smallville*, Merritt, B.C.
(photo courtesy of Thompson Nicola Regional District)

Kamloops and Kelowna are the region's largest communities with extensive local economies based on trade, administration, services and manufacturing. Kamloops is a major transportation centre with an airport, two major railways and the Trans-Canada and Coquihalla highways serving the Alberta to Vancouver corridor. Tourism and in-migration of retirees generate considerable economic activity in the entire region, particularly in the Okanagan and Shuswap areas. The south Okanangan is the centre of B.C.'s burgeoning wine industry. More recently, Kelowna has become home to a growing number of high-tech firms, and is often referred to as the "Silicon Vineyard".

Kootenay

The Kootenay region is located in the southeastern portion of the province, with the United States to the south, Alberta to the east and the Thompson-Okanagan to the north and west. It represents 6.7 per cent of the provincial land area and contains 3.9 per cent of the population. The region is characterized by a series of north-south oriented valleys separated by high mountain ranges and containing a number of reservoirs for power generation facilities (Columbia and Kootenay River waterways). Five large lakes, Kootenay, Arrow, Slocan, Duncan and Koocanusa, cover extensive areas of the Kootenay Region.

Table 1.7 Kootenay Development Region, 2000

	Kootenay	Provincial Share		Kootenay	British Columbia
		(per cent)		(per cent)	
Population	158,138	3.9	Employment rate[1]	57.8	60.2
Employment	71,200	3.7	Unemployment rate	10.1	7.2
Business establishments	10,042	3.5	Population change, 1999/2000	0.9	0.9

[1] Percentage of working population with jobs.
Source: BC Stats; Statistics Canada.

Mining and forestry industries play a major role in the region's economy. Coal mining is particularly dominant in the eastern portion of the region, and those employed in mining in this region constitute about one quarter of the province's total. Forestry-based industries exert a large influence on the economy of much of the Kootenay region, with two large pulp mills at Skookumchuk and Castlegar, and an abundance of lumber mills throughout the region. Other major industries in 2000 are the Sullivan Mine at Kimberley, and the Cominco lead-zinc smelter that it supplies at Trail. These two industries account for the majority of employment in these two areas. Hydro electricity is set to become a more important sector in the region. There are several major projects underway including the upgrading of the Waneta Dam. The Keenleyside and Brilliant Dams are also slated for upgrades.

The Creston Valley is also well known for its grain, fruit and vegetable industries. As the Kootenay region diversifies, tourism and the service industry are becoming substantial contributors. Cranbrook is the regional centre for trade and services in the eastern part of the region, while Nelson fulfills that role in the western portion.

Cariboo

The Cariboo region encompasses 13.5 per cent of the province's land area, and contains 4.4 per cent of the population. Bounded by high mountains on the east and southwest, the region is primarily a plateau comprised of modest, rolling hills. It is heavily forested, but lower elevations provide excellent areas for raising beef cattle. The Fraser River loops through the region, forming the boundary between the Chilcotin and Cariboo districts in the southern portion of the region.

Table 1.8 Cariboo Development Region, 2000

	Cariboo	Provincial Share		Cariboo	British Columbia
		(per cent)		(per cent)	
Population	180,492	4.4	Employment rate[1]	60.7	60.2
Employment	81,500	4.2	Unemployment rate	9.9	7.2
Business establishments	12,113	4.2	Population change, 1999/2000	0.6	0.9

[1] Percentage of working population with jobs.
Source: BC Stats; Statistics Canada.

The economy of the region is fairly diversified. Forestry provides the main economic support throughout the region, with virtually every community deriving at least part of its income from forest-related activities. There are a number of pulp and paper mills and sawmills in the region. Agriculture plays an important role for some areas, particularly the region's southern portion that is the centre of cattle ranching in British Columbia. Mining has been historically significant and is still an important contributor to the economy in some areas in the region. The area from Quesnel to Barkerville has a long history of placer and lode gold mining. There is a greater emphasis on the tertiary sector in Prince George, and it has developed as the leading trade, administration, manufacturing and service centre in the northern part of the province because of its central location on the rail and highway systems. It is also the home of the main campus of the University of Northern British Columbia.

North Coast

The North Coast region borders the Pacific Ocean and the Alaska Panhandle and includes the Queen Charlotte Islands. It is the fourth largest of the eight regions, covering 12.5 per cent of the province. The region includes only 1.8 per cent of the provincial population and most of the residents are concentrated near Prince Rupert, Terrace, Kitimat, Stewart and New Hazelton. Rugged mountains and deeply cut river valleys characterize the topography of the region.

Table 1.9 North Coast and Nechako Development Regions, 2000

	North Coast and Nechako	Provincial Share		North Coast and Nechako	British Columbia
		(per cent)			(per cent)
Population	119,451	2.9	Employment rate[1]	63.7	60.2
Employment	47,500	2.4	Unemployment rate	10.2	7.2
Business establishments	76,320	2.6	Population change, 1999/2000	0.6	0.9

[1] Percentage of working population with jobs.
Sources: BC STATS; Statistics Canada.

The economy of the region is as diverse as its topography. The coastal communities rely heavily on fishing and fish processing. There is logging on the Queen Charlotte Islands and in the southern two-thirds of the mainland portion of the region. Pulp and paper mills are located at Prince Rupert and Kitimat, and major sawmills at Terrace, Kitwanga and Hazelton. Mining and forestry are the chief economic activities in the Stewart area. Prince Rupert and Terrace are the leading administrative and service centres for the region. Kitimat was established in the early 1950s to house Alcan's aluminium smelter complex, but its industrial base has since expanded to include forest products and petrochemical production. Tourism is providing opportunities in much of the region.

Nechako

The Nechako region is the second largest of the development regions, containing 21 per cent of the provincial land area but only 1.2 per cent of the population. The bulk of the population lives in communities along the rail-highway corridor from Smithers to Vanderhoof and Fort St. James. The terrain is composed of a high, rolling or hilly plateau bounded by rugged mountains on the west and northeastern borders. There is little or no commercially-available forest cover in the northern half (timber resources have yet to be fully evaluated in terms of their economic potential), but commercial forests are extensive in the south, where they support a large part of the local economy.

Forest-based industries are particularly important in the Smithers-Houston, Burns Lake and Vanderhoof areas. Mining is the primary economic activity in the northern part of the region, and has a substantial impact on the economy of much of the southern part of the region as well. Although some significant mine closures occurred in recent years, there is considerable mineral potential in the area. Widespread mineral exploration and development is currently centred primarily on precious metals, but large deposits of base metals and coal offer future potential. Currently there are two major mines operating in the area — a molybdenum mine at Fraser Lake, and a copper mine, near Houston, which opened in 1997. Due to climate and terrain, intensive agricultural activity is limited to the Bulkley Valley near Smithers and an area surrounding Vanderhoof.

Northeast

The Northeast region is the largest of the province's regions. It represents 21.5 per cent of the land area of the province and 1.6 per cent of the population. Generally, the terrain is flat in the east, resembling the interior plains of North America, and mountainous in the west, resembling the rest of the province. Grain, forage crops and beef cattle traditionally provided the economic base of the triangle extending from Chetwynd to Dawson Creek and Fort St. John.

Table 1.10 Northeast Development Region, 2000

	Northeast	Provincial Share		Northeast	British Columbia
		(per cent)			(per cent)
Population	66,813	1.6	Employment rate[1]	67.8	60.2
Employment	32,500	1.7	Unemployment rate	6.1	7.2
Business establishments	5,794	2.0	Population change, 1999/2000	0.0	0.9

[1] Percentage of working population with jobs.
Sources: BC STATS; Statistics Canada.

From the 1950s to the 1970s, the forest industry, oil, natural gas and hydroelectric power projects provided much of the region's economic growth. In the 1980s, growth was largely attributable to development of coal mines southwest of Dawson Creek in the vicinity of Tumbler Ridge. The importance of these will lessen with the closure in 2000 of the Quintette mine and the expected future closure of the Bullmoose Mine. However, Louisiana Pacific is building four processing facilities in the region, and higher energy prices may encourage further coal development. With the high recent prices, the oil and gas sector in this region is experiencing rapid growth. There are a number of major oil and gas construction projects either underway or proposed, and the sector is one of the leading sources of employment in northeastern British Columbia.

Chapter Two
Financial Review

Introduction

This chapter presents information on the financial results for the government and its Crown corporations and agencies and includes:

- a review of financial results since the 1980s;
- an overview of the government's summary financial statements for 2000/01 (summary accounts). These statements combine the financial results of the government and its Crown corporations and agencies;
- details on revenue and expenditure of the consolidated revenue fund (CRF) for 2000/01 (the government's central operating account);
- financial results of major Crown corporations for 2000/01;
- capital spending;
- details on provincial borrowing activity and debt;
- information on trust funds (money administered by government on behalf of third parties) and other liabilities; and
- information on provincial taxes.

Historical Review

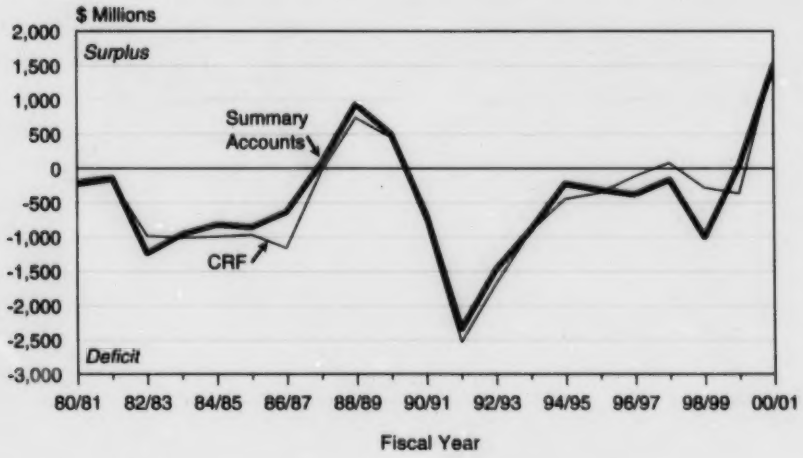
The finances of the provincial government and its Crown corporations are closely tied to the performance of the province's economy. During the early 1980s, a recession and subsequent slow recovery in British Columbia caused provincial revenue to weaken while spending increased. From 1982/83 to 1986/87, annual summary accounts deficits included CRF shortfalls of about $1 billion per year, partially offset by the combined net profits of provincial Crown corporations and agencies (see Chart 2.1).

From 1987/88 to 1989/90, a strong turnaround in the provincial economy and various revenue measures led to an improvement in the government's finances. Positive balances in the CRF together with combined net profits of Crown corporations resulted in annual summary account surpluses peaking at $930 million in 1988/89.

Slower economic growth, cutbacks to federal transfers and increased spending in response to growing demand for government services, partly caused by high in-migration, led to deficits beginning in 1990/91. In 1991/92, the summary accounts deficit reached $2.3 billion.

[1] Financial information presented in this chapter is based on *2000/01 Public Accounts* information. Figures are consistent with the government's organization and accounting policies effective March 31, 2001, and for comparative purposes, information for prior years has been restated where practical. For additional information on the government's accounting policy, see Appendix 2.

Chart 2.1 Summary Accounts and Consolidated Revenue Fund Historical Trends



Beginning in 1992/93, revenue measures and reduced spending growth helped to reduce the government's summary accounts deficit to $228 million by 1994/95. However, during the next two years, increased Crown corporation losses and a slowdown in revenue growth, partly reflecting slowing economic growth, federal and provincial income tax cuts and a weaker forestry sector, caused the summary accounts deficit to reach $1.0 billion by 1998/99.

In 1999/00 and 2000/01, government and Crown corporation finances improved significantly due to particularly strong energy prices and a strengthening economy. In 2000/01, the surplus peaked at $1.5 billion — the highest surplus in British Columbia's history.

2000/01 Overview

Chart 2.2 shows that in 2000/01, a $1.5-billion summary accounts surplus was $2.8 billion better than the original estimate of a $1.3-billion deficit. The surplus reflects:

- a positive CRF balance of $1,603 million;

partially offset by:

- combined Crown corporation net losses of $53 million; and
- a $52-million one-time cost related to the implemention of joint trusteeship for the Public Service Pension Plan.

Strong revenue growth and improvements in Crown corporation finances were major factors contributing to the summary accounts performance compared to budget in 2000/01.

The summary accounts surplus was also $1.5 billion higher than the $40-million surplus in 1999/00 (see Table 2.1). The improvement primarily resulted from a 10.2-per-cent increase in CRF revenue and stronger financial performance of Crown corporations, in part due to the effect of some one-time writedowns of assets during 1999/00.

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Table 2.1 2000/01 Summary Accounts — Detailed Operating Results

	Budget Estimate 2000/01	Actual 2000/01	Actual 1999/00[1]
		($ millions)	
Consolidated Revenue Fund (CRF)			
Revenue	21,500	24,066	21,846
Expenditure	(22,300)	(22,463)	(22,212)
CRF Balance	(800)	1,603	(366)
Crown Corporations and Agencies			
Taxpayer-supported:			
British Columbia Buildings Corporation	62	51	45
British Columbia Ferry Corporation (BCFC)	(10)	11	(299)
BC Transportation Financing Authority	(1)	1	22
Forest Renewal BC	(52)	(64)	1
Other	(16)	49[2]	(44)
Net earnings (losses)	(17)	48	(275)
Less contributions paid to CRF	(62)	(69)	(78)
Less accounting adjustments:			
Forgiveness of BCFC debt	—	—	1,080
Other accounting adjustments[3]	(227)	(189)	(131)
Total taxpayer-supported	(306)	(210)	596
Self-supported commercial:			
British Columbia Hydro and Power Authority (Hydro)	429	446	416
Liquor Distribution Branch	620	642	617
British Columbia Lottery Corporation	542[4]	562	532
British Columbia Railway Company	40	(7)	(582)
Insurance Corporation of British Columbia	3	139	96
Other	42	4	1
Net earnings (losses)	1,676	1,786	1,080
Less contributions paid to CRF	(1,386)	(1,431)	(1,376)
Less accounting adjustments:			
Transfer of Hydro earnings to (from) rate stabilization account	(17)	103	129
Other accounting adjustments[5]	(145)	(301)	(23)
Total self-supported commercial	128	157	(190)
Total Crown corporation and agency net contribution (loss)	(178)	(53)	406
Summary accounts balance before forecast allowance and joint trusteeship agreements	(978)	1,550	40
Forecast allowance	(300)	—	—
Joint trusteeship agreements	—	(52)	—
Summary Accounts Surplus (Deficit)	(1,278)	1,498	40

[1] Restated to be consistent with the presentation used for 2000/01.
[2] Includes B.C. Pavilion Corporation, British Columbia Assessment Authority, British Columbia Securities Commission, Oil and Gas Commission and other Crown corporations and agencies. The change from budget primarily reflects the sale of an investment in Western Star Trucks by 577315 British Columbia Ltd. and improvements in other Crown corporations and agencies.
[3] Primarily includes the amortization of the cost of highways transferred to the BC Transportation Financing Authority in 1998/99.
[4] Transfers to the federal government previously included in accounting adjustments have been reclassified as part of corporation net income.
[5] Primarily reflects adjustments to account for differences between the fiscal year-ends of the government and certain Crown corporations, and transfers of British Columbia Lottery Corporation revenue to charities and local governments.

Table 2.1 2000/01 Summary Accounts — Detailed Operating Results

	Budget Estimate 2000/01	Actual 2000/01	Actual 1999/00[1]
		$ millions	
Consolidated Revenue Fund (CRF)			
Revenue	21,500	24,002	21,846
Expenditure	(22,300)	(22,493)	(22,212)
CRF Balance	(800)	1,509	(366)
Crown Corporations and Agencies			
Taxpayer-supported:			
British Columbia Buildings Corporation	62	61	45
British Columbia Ferry Corporation (BCFC)	(10)	11	(299)
BC Transportation Financing Authority	(1)	1	22
Forest Renewal BC	(52)	(94)	1
Other	(16)	49[2]	(44)
Net earnings (losses)	(17)	48	(275)
Less contributions paid to CRF	(62)	(90)	(78)
Less accounting adjustments:			
Forgiveness of BCFC debt	—	—	1,080
Other accounting adjustments[3]	(227)	(168)	(131)
Total taxpayer-supported	(306)	(210)	596
Self-supported commercial:			
British Columbia Hydro and Power Authority (Hydro)	429	446	416
Liquor Distribution Branch	620	642	617
British Columbia Lottery Corporation	542[4]	558	532
British Columbia Railway Company	40	(7)	(582)
Insurance Corporation of British Columbia	3	100	96
Other	42	4	1
Net earnings (losses)	1,676	1,793	1,080
Less contributions paid to CRF	(1,386)	(1,491)	(1,376)
Less accounting adjustments:			
Transfer of Hydro earnings to (from) rate stabilization account	(17)	108	129
Other accounting adjustments[5]	(145)	(301)	(23)
Total self-supported commercial	128	157	(190)
Total Crown corporation and agency net contribution (loss)	(178)	(53)	406
Summary accounts balance before forecast allowance and joint trusteeship agreements	(978)	1,456	40
Forecast allowance	(300)	—	—
Joint trusteeship agreements	—	(53)	—
Summary Accounts Surplus (Deficit)	(1,278)	1,403	40

[1] Restated to be consistent with the presentation used for 2000/01.

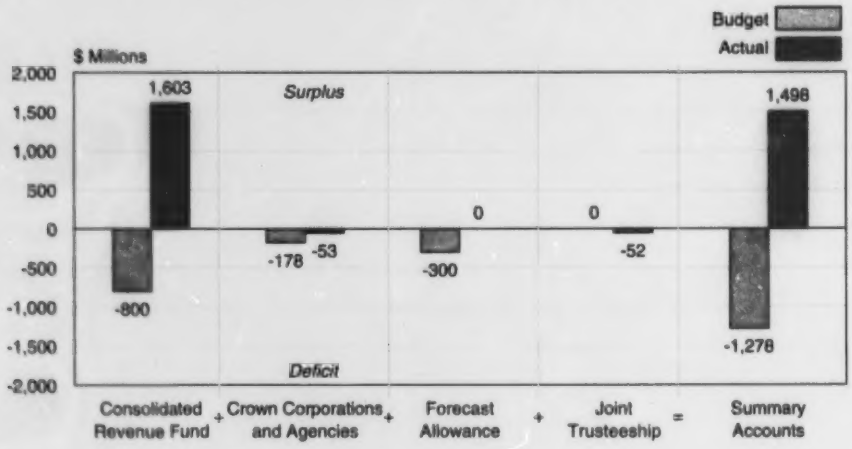
[2] Includes B.C. Pavilion Corporation, British Columbia Assessment Authority, British Columbia Securities Commission, Oil and Gas Commission and other Crown corporations and agencies. The change from budget primarily reflects the sale of an investment in Western Star Trucks by 577315 British Columbia Ltd. and improvements in other Crown corporations and agencies.

[3] Primarily includes the amortization of the cost of highways transferred to the BC Transportation Financing Authority in 1996/99.

[4] Transfers to the federal government previously included in accounting adjustments have been reclassified as part of corporation net income.

[5] Primarily reflects adjustments to account for differences between the fiscal year-ends of the government and certain Crown corporations, and transfers of British Columbia Lottery Corporation revenue to charities and local governments.

Chart 2.2 2000/01 Summary Accounts Operating Results



A $1.6-billion positive balance in the CRF was $2.4-billion better than planned:

- Revenue was $2.6 billion more than budgeted primarily due to significantly higher-than-expected energy prices and the effect of a strengthening economy.
- This was partially offset by $163 million of above-budget spending that included $787 million of additional spending for health, education and other programs, partially offset by $624 million of savings due to lower interest costs and reduced pension expenditures primarily resulting from policy changes recommended by the Auditor General.

A combined Crown corporation net loss (after adjustments) of $53 millions was $125 million lower than budget.

- Combined net losses of taxpayer-supported Crown corporations were $96 million below budget due to improvements in British Columbia Ferry Corporation and other areas which included 557315 British Columbia Ltd.'s $18-million sale of its investment in Western Star Trucks.
- After deducting rebates to electricity customers and safe drivers totalling $529 million, commercial Crown corporation net contribution was $29 million higher than budget. The improvement was primarily due to strong financial performance in the Insurance Corporation of British Columbia (ICBC) and higher earnings of British Columbia Hydro and Power Authority (BC Hydro) that were transferred to the authority's rate stabilization account.

Table 2.2 summarizes the major changes from the 2000/01 budget forecast.

Table 2.2 Summary of Changes from the 2000/01 Budget

	In-year Change	
		($ mi
Summary accounts surplus (deficit) — 2000/01 Budget		
Consolidated revenue fund (CRF) changes:		
Revenue changes (net increase (decrease) from budget):		
Prior-year personal income tax assessments and CHST entitlement[1]	220	
CHST supplement: effect of 1999/00 accounting change	(121)	
September 11, 2000 federal announcement of funding for medical equipment (2-year funding)	132	
Taxation sources — higher personal and corporation income (current-year entitlements) and other taxes	667	
Natural resources — higher petroleum, natural gas, minerals and Columbia River Treaty electricity sales, partly offset by lower forests revenue	1,597	
Crown corporation contributions and other sources[2]	71	2,566
Spending changes (net (increase) decrease from budget):		
Ministry of Health (except heating assistance and accounting change for capital expenditures)	(505)	
Michael Smith Foundation for Health research grant	(110)	
Additional funding for post-secondary library and technology investments, and K-12 learning and technology resources	(69)	
BC Energy Rebate — heating assistance to GST rebate recipients	(42)	
Heating assistance to universities, schools and health authorities	(21)	
Ministry of Attorney General — *Crown Proceeding Act*, *Emergency Program Act* and other program pressures	(86)	
Ministry of Forests — higher spending primarily for fire-fighting and bark beetle management	(44)	
Effect of accounting change for capital expenditures		
— health facilities	127	
— education and other facilities	(138)	
Other programs	101	
Lower debt interest costs	120	
Effect of valuation changes in unfunded pension liability	136	
Effect of pension accounting policy changes in 2000/01	368	(163)
Crown corporation and agency changes:		
Taxpayer-supported (net increase (decrease) from budget):		
British Columbia Ferry Corporation — change from operating loss to net income	21	
Forest Renewal BC — higher loss due to lower stumpage revenue	(12)	
577513 British Columbia Ltd. — gain on sale of Western Star Trucks investment	18	
Other Crown corporation changes	38	
Change in contributions paid to CRF and other adjustments (mainly lower adjustments for the amortization of highways)	31	96
Self-supported commercial (net increase (decrease) from budget):		
British Columbia Hydro and Power Authority — higher net income including transfer to rate stabilization account[3]	137	
Insurance Corporation of British Columbia — higher net income[3]	136	
British Columbia Railway Company and other Crown corporations changes	(43)	
Higher Crown corporation contributions paid to CRF	(45)	
Other adjustments (primarily for differences between fiscal year-ends)	(156)	29
Forecast allowance — reduced allowance		
Joint trusteeship one-time cost for Public Service Pension Plan		
Summary accounts surplus (deficit) — 2000/01 *Public Accounts*		

[1] Includes $190 million for personal income tax and $30 million for CHST.
[2] Includes Crown corporation contributions ($52 million) and current-year CHST entitlements ($39 million), partially offset by a reduction in other revenue ($20 million).
[3] After deducting rebates to residential customers (British Columbia Hydro and Power Authority — $310 million) and to safe drivers (Insurance Corporation of British Columbia — $219 million).

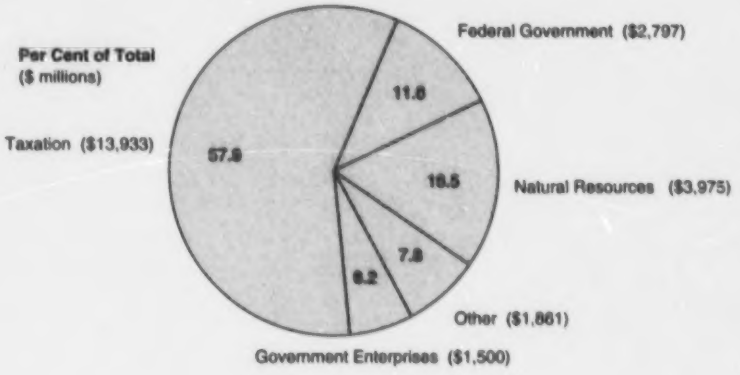
The final summary accounts surplus for 2000/01 was $181 million higher than the revised forecast shown in the preliminary 2001 budget presented on March 15, 2001. This reflects:

- $36 million of additional CRF revenue;
- a $152-million reduction in CRF spending. This included year-end program savings of $94 million and a $48-million increase in the amortization of an estimated reduction in pension liabilities;
- a $217 million deterioration in Crown corporation finances.
  - — Taxpayer-supported Crown corporations improved $54 million due to better year-end results for Forest Renewal BC and other Crown corporations;
  - — Commercial Crown corporation net incomes were $271 million lower than forecast in part due to additional year-end adjustments in BC Hydro to reflect uncertainty in collecting some of its power sales to California.
- $150 million of forecast allowance that was not needed; and
- a $60-million reduction in the estimated cost of implementing joint trusteeship for the Public Service Pension Plan in 2000/01.

Consolidated Revenue Fund Revenue

In 2000/01, CRF revenue totalled $24,066 million, up 10.2 per cent over 1999/00. Chart 2.3 and Table 2.3 provide further details.

Chart 2.3 Consolidated Revenue Fund Revenue by Source, 2000/01*



* Excludes dedicated revenue collected on behalf of Crown corporations and other public bodies.

Total: $24,066 million

Approximately 58 per cent of CRF revenue came from taxation sources in 2000/01 — the largest part includes personal and corporation income taxes collected by the federal government on behalf of the province. Revenue from forests, petroleum, natural gas, Columbia River Treaty and other natural resources comprised 16.5 per cent of revenue. Federal government contributions, including CHST, accounted for 11.6 per cent of revenue. Other revenue, which includes fees, licences, investment earnings and other miscellaneous sources, made up 7.8 per cent of revenue. Contributions from government enterprises include profits and dividends received from British Columbia Lottery Corporation, the Liquor Distribution Branch and other Crown corporations. In 2000/01, these contributions totalled 6.2 per cent of revenue.

Table 2.2 Summary of Changes from the 2000/01 Budget

	In-year Change		Final Results
			($ millions)
Summary accounts surplus (deficit) — 2000/01 Budget			(1,278)
Consolidated revenue fund (CRF) changes:			
Revenue changes (net increase (decrease) from budget):			
Prior-year personal income tax assessments and CHST entitlement[1]	220		
CHST supplement: effect of 1999/00 accounting change	(121)		
September 11, 2000 federal announcement of funding for medical equipment (2-year funding)	132		
Taxation sources — higher personal and corporation income (current-year entitlements) and other taxes	667		
Natural resources — higher petroleum, natural gas, minerals and Columbia River Treaty electricity sales, partly offset by lower forests revenue	1,597		
Crown corporation contributions and other sources[2]	71	2,566	
Spending changes (net (increase) decrease from budget):			
Ministry of Health (except heating assistance and accounting change for capital expenditures)	(505)		
Michael Smith Foundation for Health research grant	(110)		
Additional funding for post-secondary library and technology investments, and K-12 learning and technology resources	(69)		
BC Energy Rebate — heating assistance to GST rebate recipients	(42)		
Heating assistance to universities, schools and health authorities	(21)		
Ministry of Attorney General — *Crown Proceeding Act*, *Emergency Program Act* and other program pressures	(86)		
Ministry of Forests — higher spending primarily for fire-fighting and bark beetle management	(44)		
Effect of accounting change for capital expenditures			
— health facilities	127		
— education and other facilities	(138)		
Other programs	101		
Lower debt interest costs	120		
Effect of valuation changes in unfunded pension liability	136		
Effect of pension accounting policy changes in 2000/01	368	(163)	2,403
Crown corporation and agency changes:			
Taxpayer-supported (net increase (decrease) from budget):			
British Columbia Ferry Corporation — change from operating loss to net income	21		
Forest Renewal BC — higher loss due to lower stumpage revenue	(12)		
577513 British Columbia Ltd. — gain on sale of Western Star Trucks investment	18		
Other Crown corporation changes	38		
Change in contributions paid to CRF and other adjustments (mainly lower adjustments for the amortization of highways)	31	96	
Self-supported commercial (net increase (decrease) from budget):			
British Columbia Hydro and Power Authority — higher net income including transfer to rate stabilization account[3]	137		
Insurance Corporation of British Columbia — higher net income[3]	136		
British Columbia Railway Company and other Crown corporations changes	(43)		
Higher Crown corporation contributions paid to CRF	(45)		
Other adjustments (primarily for differences between fiscal year-ends)	(156)	29	125
Forecast allowance — reduced allowance			300
Joint trusteeship one-time cost for Public Service Pension Plan			(52)
Summary accounts surplus (deficit) — 2000/01 *Public Accounts*			1,498

[1] Includes $190 million for personal income tax and $30 million for CHST.
[2] Includes Crown corporation contributions ($52 million) and current-year CHST entitlements ($39 million), partially offset by a reduction in other revenue ($20 million).
[3] After deducting rebates to residential customers (British Columbia Hydro and Power Authority — $310 million) and to safe drivers (Insurance Corporation of British Columbia — $219 million).

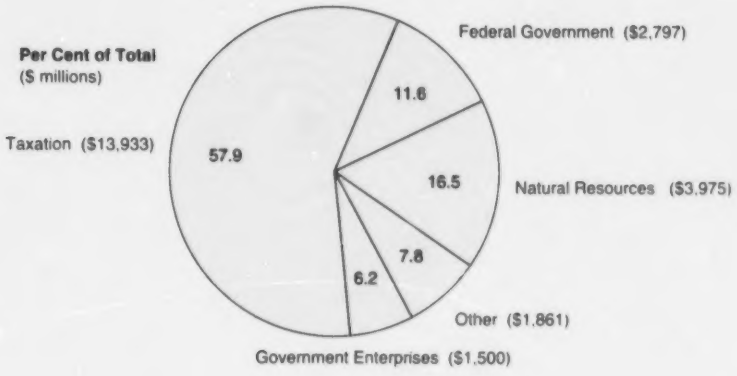
The final summary accounts surplus for 2000/01 was $181 million higher than the revised forecast shown in the preliminary 2001 budget presented on March 15, 2001. This reflects:

- $36 million of additional CRF revenue;
- a $152-million reduction in CRF spending. This included year-end program savings of $94 million and a $48-million increase in the amortization of an estimated reduction in pension liabilities;
- a $217 million deterioration in Crown corporation finances.
  - — Taxpayer-supported Crown corporations improved $54 million due to better year-end results for Forest Renewal BC and other Crown corporations;
  - — Commercial Crown corporation net incomes were $271 million lower than forecast in part due to additional year-end adjustments in BC Hydro to reflect uncertainty in collecting some of its power sales to California.
- $150 million of forecast allowance that was not needed; and
- a $60-million reduction in the estimated cost of implementing joint trusteeship for the Public Service Pension Plan in 2000/01.

Consolidated Revenue Fund Revenue

In 2000/01, CRF revenue totalled $24,066 million, up 10.2 per cent over 1999/00. Chart 2.3 and Table 2.3 provide further details.

Chart 2.3 Consolidated Revenue Fund Revenue by Source, 2000/01*



* Excludes dedicated revenue collected on behalf of Crown corporations and other public bodies.

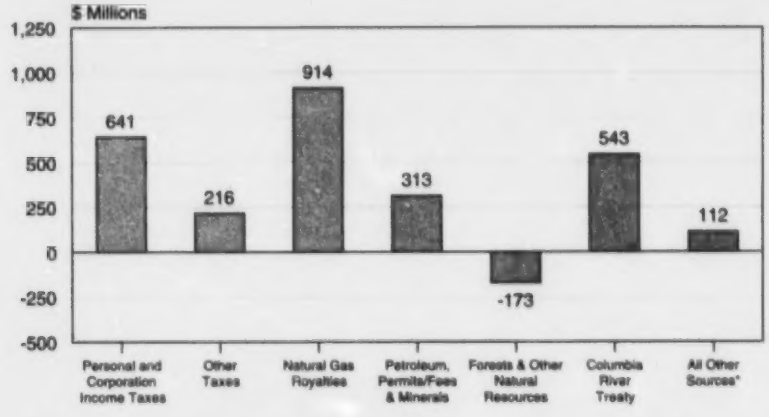
Total: $24,066 million

Approximately 58 per cent of CRF revenue came from taxation sources in 2000/01 — the largest part includes personal and corporation income taxes collected by the federal government on behalf of the province. Revenue from forests, petroleum, natural gas, Columbia River Treaty and other natural resources comprised 16.5 per cent of revenue. Federal government contributions, including CHST, accounted for 11.6 per cent of revenue. Other revenue, which includes fees, licences, investment earnings and other miscellaneous sources, made up 7.8 per cent of revenue. Contributions from government enterprises include profits and dividends received from British Columbia Lottery Corporation, the Liquor Distribution Branch and other Crown corporations. In 2000/01, these contributions totalled 6.2 per cent of revenue.

An additional $842 million in dedicated revenue was collected on behalf of, and transferred to, certain provincial Crown corporations, agencies and other external public bodies in 2000/01. All dedicated revenues, except for amounts collected on behalf of other government jurisdictions, are included in the operating results of Crown corporations shown in Table 2.1.

CRF revenue for the year was $2,566 million or 12 per cent above budget. Higher natural resource revenue accounted for almost $1.6 billion (62 per cent) of the increase mainly due to record-level energy prices in 2000/01. The effect of stronger-than-expected economic growth contributed to an $857-million increase in taxation revenue and represented most of the remaining budget variance. Growth in nominal GDP, which most directly affects provincial revenue, is estimated at 5.8 per cent in 2000, compared to 3.8 per cent assumed in the budget.

Chart 2.4 2000/01 CRF Revenue — Changes from Budget



* Includes fees, licences, investment earnings, other miscellaneous sources and contributions from Crown corporations and the federal government.

Chart 2.4 shows the major revenue sources that contributed to the $2.6-billion budget variance in 2000/01. Table 2.4 provides details of the changes to the main economic and policy assumptions during the year. Revenue changes during the year included:

Personal income tax — $502 million above budget and up 3.0 per cent from 1999/00. Higher-than-assumed final assessments for the 1999 tax year resulted in $190 million of one-time additional revenue in 2000/01. The remainder of the variance was due to stronger personal income growth and the effects of the higher tax base in 2000. Family bonus entitlements of $85 million, representing 36 per cent of program costs, were deducted from revenue during the year — the remainder was reported as expenditure. In addition, $36 million was deducted from revenue as part of the $78-million BC Energy Rebate provided to GST rebate recipients — the rest was reported as expenditure. Results for the year also reflect the effect of tax rate reductions and the introduction of a "tax-on-income" system.

Corporation income tax — $139 million above budget and up 12 per cent from 1999/00 due to larger cash instalments resulting from a higher federal government estimate of the national tax base in 2000. Revenue is recorded on a cash basis and instalments are determined by a formula set out in federal/provincial agreements.

Social service tax — $171 million above budget and 8.4 per cent higher than 1999/00. Higher-than-expected collections at the end of 1999/00 and stronger retail sales in 2000 more than offset the effect of lower-than-expected machinery and equipment purchases.

Other taxes — $45 million above budget reflecting the effect of stronger economic growth on a variety of sources. In 2000/01, homeowner grants totalling $495 million were deducted from property tax revenue. The 6 per cent decline in fuel tax revenue from 1999/00 reflects a 1 cent/litre increase in dedicated fuel taxes collected on behalf of, and transferred to, the Greater Vancouver Transportation Authority (*TransLink*).

Petroleum, natural gas and minerals — $1,227 million above budget and up 165 per cent from 1999/00 as record energy prices led to higher royalties and sales of Crown land drilling rights.

Ladyfern gas field northeast of Fort St. John.

(Photo courtesy of Murphy Oil Corporation)

M121

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Table 2.3 Revenue by Source
Consolidated Revenue Fund[1]

	Budget Estimate 2000/01	Actual 2000/01	Actual 1999/00	Annual Change
		($ millions)		(per cent)
Taxation Revenue:				
Personal income	5,513	6,015	5,839	3.0
Corporation income	915	1,054	939	12.2
Social service	3,446	3,617	3,338	8.4
Property	1,360	1,371	1,350	1.6
Fuel	437	443	470	(5.7)
Other	1,444	1,470	1,491	(1.4)
Less: commissions on collection of public funds	(24)	(23)	(24)	(4.2)
Less: allowance for doubtful accounts	(15)	(14)	(25)	(44.0)
	13,076	13,933	13,378	4.1
Natural Resource Revenue:				
Petroleum and natural gas	640	1,847	670	175.7
Minerals	33	53	47	12.8
Forests	1,302	1,153	1,392	(17.2)
Water	309	294	297	(1.0)
Columbia River Treaty	89	632	100	532.0
Wildlife Act — fees and licences	14	15	15	—
Less: commissions on collection of public funds	(1)	(1)	(1)	—
Less: allowance for doubtful accounts	(8)	(18)	(3)	500.0
	2,378	3,975	2,517	57.9
Other Revenue:				
Fees and licences	1,616	1,567	1,567	—
Investment earnings	55	112	60	86.7
Miscellaneous	208	225	235	(4.3)
Asset dispositions	50	—	52	(100.0)
Less: commissions on collection of public funds	(14)	(7)	(17)	(58.8)
Less: allowance for doubtful accounts	(34)	(36)	(9)	300.0
	1,881	1,861	1,888	(1.4)
Contributions from Government Enterprises:				
Liquor Distribution Branch	620	642	617	4.1
British Columbia Hydro and Power Authority	355	372	343	8.5
British Columbia Lottery Corporation[2]	398	414	416	(0.5)
Other	75	72	78	(7.7)
	1,448	1,500	1,454	3.2
Contributions from the Federal Government:				
Canada health and social transfer	2,549	2,619	2,438	7.4
Other	168	178	171	4.1
	2,717	2,797	2,609	7.2
Total Revenue	21,500	24,066	21,846	10.2

[1] Figures based on 2000/01 *Public Accounts* information. Figures exclude dedicated revenue totalling $842 million collected on behalf of, and transferred to, British Columbia Transit, British Columbia Ferry Corporation, BC Transportation Financing Authority, Greater Vancouver Transportation Authority (*TransLink*), Forest Renewal BC, Oil and Gas Commission, Tourism British Columbia, and other entities. These revenues are included as part of the operations of Crown corporations and agencies, with the exception of *TransLink* and certain other external public bodies. Further information is provided in Appendix 2.

[2] Additional $133 million was distributed to charities and local governments.

Table 2.3 Revenue by Source
Consolidated Revenue Fund[1]

	Budget Estimate 2000/01	Actual 2000/01	Actual 1999/00	Annual Change
		($ millions)		(per cent)
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Fuel	437	443	470	(5.7)
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	13,076	13,939	13,378	4.1
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Water	309	294	297	(1.0)
Columbia River Treaty	89	632	100	532.0
Wildlife Act — fees and licences	14	15	15	—
Less: commissions on collection of public funds	(1)	(1)	(1)	—
Less: allowance for doubtful accounts	(8)	(18)	(3)	500.0
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[1] Figures based on 2000/01 *Public Accounts* information. Figures exclude dedicated revenue totalling $842 million collected on behalf of, and transferred to, British Columbia Transit, British Columbia Ferry Corporation, BC Transportation Financing Authority, Greater Vancouver Transportation Authority (*TransLink*), Forest Renewal BC, Oil and Gas Commission, Tourism British Columbia, and other entities. These revenues are included as part of the operations of Crown corporations and agencies, with the exception of *TransLink* and certain other external public bodies. Further information is provided in Appendix 2.

[2] Additional $133 million was distributed to charities and local governments.

Forests — $149 million below budget as the effect of lower-than-assumed lumber prices offset higher-than-budgeted harvest volumes. Also, the government did not receive softwood lumber export fees collected on its behalf by the federal government as planned — these are expected in 2001/02. Compared to 1999/00, forests revenue fell 17 per cent due to lower prices and harvest volumes.

Columbia River Treaty electricity sales — $543 million above budget. Average U.S. electricity prices for the year were almost six times higher than expected due to energy shortages in the U.S., particularly in California.

Water rentals and other resources — $24 million below budget mainly due to lower hydro power generation in the previous year which was assessed in 2000/01.

Other revenue — $20 million below budget as lower revenue from fees, licences and asset dispositions was partly offset by higher revenue from investment earnings and other miscellaneous sources.

Contributions from government enterprises — $52 million above budget mainly due to higher-than-expected net incomes of the Liquor Distribution Branch, British Columbia Lottery Corporation and BC Hydro. In addition, lower-than-budgeted dividends from British Columbia Buildings Corporation and the British Columbia Railway Company were partially offset by other contributions which included 557315 British Columbia Ltd.'s gain from the sale of its investment in Western Star Trucks Holdings Ltd.

Contributions from the federal government — $80 million above budget. Canada health and social transfer (CHST) revenue was $70 million higher than budget primarily due to the federal government's commitment to provide minimum total cash payments to provinces. This resulted in additional entitlements for the current and prior years. CHST revenue also included an additional $132 million received as the province's entitlement to supplementary medical equipment funding announced by the federal government in September 2000. However, this was partially offset by a $121-million reduction as a result of the Auditor General's recommendation that the government record some other CHST supplementary contributions in 1999/00 instead of 2000/01 as budgeted.

Table 2.4 Comparison of Main Revenue Assumptions and Actual Results — Consolidated Revenue Fund ($ millions unless otherwise indicated)

Revenue Source and Factors	Budget Assumption	Actual Result[1]	Revenue Variance
Personal income tax	**$5,513**	**$6,015**	**+$502**
1999 BC tax base growth	1.8%	4.9%	
2000 BC personal income growth	3.2%	5.3%	
2001 BC personal income growth	3.6%	3.4%	
Corporation income tax	**$915**	**$1,054**	**+$139**
1999 BC tax base growth	18%	17%	
2000 national tax base growth	6%	32%	
Social service tax	**$3,446**	**$3,617**	**+$171**
2000 retail sales growth	2.8%	6.2%	
2001 retail sales growth	4.8%	3.5%	
2000 machinery and equipment spending	6.0%	−5.0%	
2001 machinery and equipment spending	6.4%	3.6%	
Property and property transfer taxes	**$1,610**	**$1,633**	**+$23**
Higher property transfer and residential taxes offset lower business and rural taxes			
Fuel, tobacco and other taxes	**$1,592**	**$1,614**	**+$22**
2000 real GDP growth	2.2%	3.4%	
2001 real GDP growth	2.7%	2.4%	
2000 nominal GDP growth	3.8%	5.3%	
2001 nominal GDP growth	4.0%	4.0%	
2000 population growth	1.1%	0.9%	
2001 population growth	1.3%	1.2%	
Total Taxation Revenue	**$13,076**	**$13,933**	**+$857**
Petroleum, natural gas and minerals	**$673**	**$1,900**	**+$1,227**
Average natural gas wellhead price in 2000/01 ($ Canadian/gigajoule)	$2.15	$6.15	
Natural gas production growth	2.0%	3.6%	
Average petroleum price in 2000/01 ($ U.S./barrel)	$20	$28	
Average bid price for Crown land drilling rights ($ Canadian/hectare)	$240	$461	
Auctioned land base (thousands of hectares)	730	907	
Forests	**$1,302**	**$1,153**	**−$149**
Average spruce-pine-fir 2×4 price in 2000 ($ U.S./thousand board feet)	$323	$255	
Average hemlock price in 2000 ($ U.S./thousand board feet)	$600	$565	
Average pulp price in 2000 ($U.S./tonne)	$650	$681	
Average exchange rate in 2000 (U.S. cents/Canadian dollar)	69.4	67.3	
Crown harvest volumes in 2000/01 (millions of cubic metres)	62.2	65.8	
Columbia River Treaty export electricity sales	**$89**	**$632**	**+$543**
U.S.$(GJ) — Mid Columbia	$29	$181	
Other natural resource revenue (including water rentals, *Wildlife Act* fees)	**$314**	**$290**	**−$24**
Lower water rental revenue due to lower power generation and higher allowances for doubtful revenue accounts			
Total Natural Resource Revenue	**$2,378**	**$3,975**	**+$1,597**

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Table 2.4 Comparison of Main Revenue Assumptions and Actual Results — Consolidated Revenue Fund ($ millions unless otherwise indicated) *— Continued*

Revenue Source and Factors	Budget Assumption	Actual Result[1]	Revenue Variance
Fees and licences	$1,616	$1,567	−$49
Investment earnings	$55	$112	+$57
Fines, penalties and other miscellaneous	$208	$225	+$17
Commissions and allowances for doubtful accounts	−$48	−$43	+$5
Asset dispositions	$50	—	−$50
2000 population growth	1.1%	0.9%	
Budget assumed a $25-million increase in Crown land sale/lease revenue over 1999/00 — actual revenue declined $7 million.			
Budget assumed average cash balances for investment earnings — actual cash balances higher due to increased revenue.			
Budget assumed a decline in revenue from miscellaneous year-end recoveries — actual revenue increased.			
No revenue from the sale of surplus assets			
Total Other Revenue	**$1,881**	**$1,861**	**−$20**
Liquor Distribution Branch (LDB) and British Columbia Lottery Corporation (BCLC)	$1,018	$1,056	+$38
British Columbia Hydro and Power Authority (BC Hydro)	$355	$372	+$17
British Columbia Buildings Corporation (BCBC), BC Rail and other Crown corporations	$75	$72	−$3
LDB and BCLC: contributions up due to higher-than-budgeted sales.			
BC Hydro: dividend up as higher-than-budgeted electricity export sales caused significant increase in net income, a portion of which was transferred to the rate stabilization account.			
No dividend received from BC Rail (budget assumed $10 million) and BCBC dividend lower than budget due to lower-than-planned property sales.			
Includes unbudgeted contributions from other corporations including 557315 British Columbia Ltd's sale of its investment in Western Star Trucks Holding Ltd., and proceeds from disposal of assets relating to 580440 British Columbia Ltd. (Vancouver Trade and Convention Centre project).			
Total Contributions from Government Enterprises	**$1,448**	**$1,500**	**+$52**
Canada health and social transfer (CHST)	**$2,549**	**$2,619**	**+$70**
2000/01 national cash and tax point bases	$28,801	$29,477	
BC entitlement share (based on share of national population)	13.13%	13.11%	
BC tax point offset	−$1,686	−$1,741	
CHST supplements: — 1999/00 federal budget	$121	—	
— 2000/01 federal budget	$333	$333	
CHST trust supplement (medical equipment) — $1.0 billion nationally established Sept 2000	—	$132	
Prior year adjustments	—	$30	
Other Federal contributions	**$168**	**$178**	**+$10**
Higher-than-expected recoveries from federal/provincial cost sharing programs			
Total Contributions from the Federal Government	**$2,717**	**$2,797**	**+$80**
Total Revenue	**$21,500**	**$24,066**	**+$2,566**

[1] Revenue figures based on 2000/01 *Public Accounts*.
Economic factors based on Ministry of Finance estimates where Statistics Canada data is not yet available.

Revenue collected on behalf of other agencies — in 2000/01, revenue of $842 million was collected on behalf of, and transferred to, other governments, Crown corporations and agencies including:

- sales tax — $11 million for the BC Transportation Financing Authority and $10 million for the Greater Vancouver Transportation Authority (*TransLink*);
- fuel tax — $434 million for British Columbia Transit, the BC Transportation Financing Authority, the British Columbia Ferry Corporation and the Greater Vancouver Transportation Authority (*TransLink*);
- stumpage — $187 million for Forest Renewal BC.
- hotel room tax — $24 million for Tourism British Columbia; and
- oil and gas permit fees — $18 million for the Oil and Gas Commission.
- other — $158 million mainly representing rural property taxes collected on behalf of local governments.

Further information is provided in Appendix 2.

Centre Dome of the Parliament Buildings.

(photo courtesy of Tourism B.C.)

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Consolidated Revenue Fund Expenditure

Expenditure of the consolidated revenue fund totalled $22,463 million in 2000/01, $163 million above budget. The increase from budget reflects:

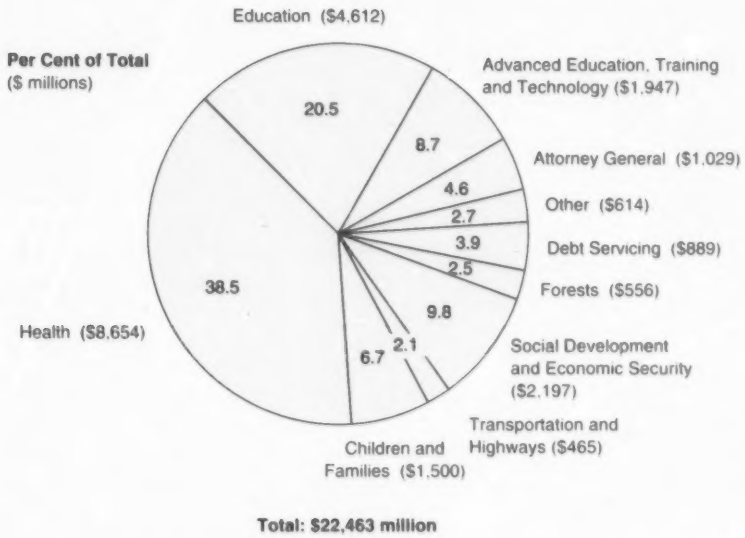
- additional spending in the Ministries of Health; Advanced Education, Training and Technology; Attorney General; Education and other areas totalling $787 million, partially offset by
- reduced debt interest costs of $120 million;
- a $136-million reduction in pension expenses due to estimated valuation changes; and
- a $368-million reduction in pension expenses due to a change in accounting policy requested by the Auditor General.

Excluding pension changes, expenditure was $667 million or 3.0 per cent above budget in 2000/01. On a comparable basis, spending was 7.4 per cent higher than in 1999/00[2].

In 2000/01, six ministries — Health; Education; Advanced Education, Training and Technology; Social Development and Economic Security; Children and Families; and Attorney General — accounted for about 89 per cent of total provincial government expenditure. Interest payments on the government's direct operating debt accounted for about 4 per cent of expenditure (see Chart 2.5).

Expenditure results by ministry are shown in Table 2.5.

Chart 2.5 Consolidated Revenue Fund Expenditure by Ministry, 2000/01



[2] Excluding the effect of pension valuation and accounting policy changes in 1999/00 and 2000/01, and $1.2 billion of one-time expenditures in 1999/00. One-time expenditures included forgiveness of $1,080 million of debt owed to the government by the British Columbia Ferry Corporation, and write-downs of provincial investments in the Vancouver Trade and Convention Centre project and the Kemess mine totalling $103 million.

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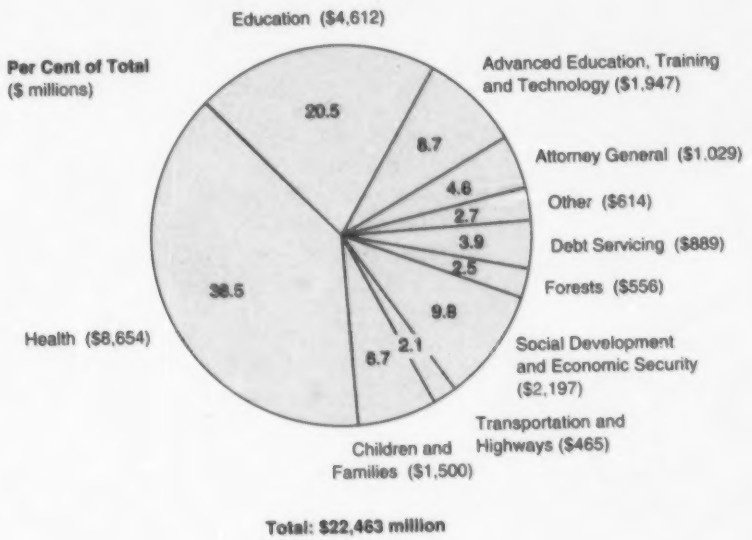

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Table 2.5 Expenditure by Ministry[1] Consolidated Revenue Fund

	Budget[2] Estimate 2000/01	Actual 2000/01	Actual[2] 1999/00	Annual Change[3]
		($ millions)		(per cent)
Legislation	38	36	34	6.1
Officers of the Legislature	26	26	28	(7.7)
Office of the Premier	3	3	3	14.8
Aboriginal Affairs	43	62	34	84.6
Advanced Education, Training and Technology	1,723	1,947	1,637	18.9
Agriculture, Food and Fisheries	101	103	86	20.0
Attorney General	943	1,029	1,008	2.1
Children and Families	1,501	1,500	1,357	10.5
Community Development, Cooperatives and Volunteers	23	24	15	52.3
Education	4,536	4,612	4,349	6.1
Employment and Investment	37	34	41	(17.2)
Energy and Mines	38	58	43	35.4
Environment, Lands and Parks	191	201	207	(3.0)
Finance and Corporate Relations	114	106	117	(9.1)
Forests	512	556	499	11.4
Health	8,269	8,654	7,973	8.5
Labour	30	35	30	17.7
Multiculturalism and Immigration	24	29	117	(75.0)
Municipal Affairs	141	146	152	(4.0)
Small Business, Tourism and Culture	84	97	83	17.8
Social Development and Economic Security	2,209	2,197	2,122	3.5
Transportation and Highways	465	465	478	(2.9)
Women's Equality	53	47	41	14.4
Other Appropriations:				
Management of Public Funds and Debt	1,009	889	835	6.5
Contingencies (All Ministries) and New Programs[4]	125	—	—	—
BC Family Bonus	152	145	183	(21.0)
Amortization of change in unfunded pension liability	(130)	(266)	(130)	90.8
Change in pension accounting policy	0	(368)	(352)	4.6
Other Appropriations[5]	40	96	39	—
Total Expenditure Before Special Items	22,300	22,463	21,029	6.8
One-Time Expenditures[6]	—	—	1,183	—
TOTAL EXPENDITURE	22,300	22,463	22,212	1.1

[1] Figures based on 2000/01 *Public Accounts* information.

[2] Actual figures for 1999/00 and budget figures for 2000/01 have been restated to reflect the government's organization and accounting policy effective March 31, 2001. 1999/00 expenditure has been restated to reflect changes in accounting for retirement allowances and tangible capital assets. The effect of this restatement increased total expenditure by $12 million.

[3] Percentage change between 2000/01 actual and 1999/00 actual (percentages based on unrounded figures shown in the 2000/01 *Public Accounts*).

[4] Charges to the Contingencies vote of $74 million in 2000/01 ($108 million in 1999/00) have been included as part of spending by ministries.

[5] Other Appropriations include: Commissions on Collection of Public Funds and Allowances for Doubtful Accounts, Environmental Assessment and Land Use Coordination, Environmental Boards and Forest Appeals Commission, Forest Practices Board, Green Economy Initiative, Public Sector Employers' Council, Seismic Mitigation, BC Energy Rebate, Insurance and Risk Management, and Unclaimed Property.

[6] Includes British Columbia Ferry Corporation debt forgiveness ($1,080 million), Vancouver Trade and Convention Centre write-down ($70 million), and Kemess Mine investment write-down ($33 million).

Table 2.5 Expenditure by Ministry[1]
Consolidated Revenue Fund

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Children and Families	1,501	1,806	1,357	10.5
Community Development, Cooperatives and Volunteers	23	24	15	52.3
Education	4,536	4,611	4,349	6.1
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Health	8,269	8,464	7,973	8.5
Labour	30	36	30	17.7
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Municipal Affairs	141	146	152	(4.0)
Small Business, Tourism and Culture	84	87	83	17.8
Social Development and Economic Security	2,209	2,197	2,122	3.5
Transportation and Highways	465	488	478	(2.9)
Women's Equality	53	47	41	14.4
Other Appropriations:				
Management of Public Funds and Debt	1,009	869	835	6.5
Contingencies (All Ministries) and New Programs[4]	125	—	—	—
BC Family Bonus	152	148	183	(21.0)
Amortization of change in unfunded pension liability	(130)	(260)	(130)	90.8
Change in pension accounting policy	0	(352)	(352)	4.6
Other Appropriations[5]	40	38	39	—
Total Expenditure Before Special Items	22,300	22,465	21,029	6.8
One-Time Expenditures[6]	—	—	1,183	—
TOTAL EXPENDITURE	22,300	22,465	22,212	1.1

[1] Figures based on 2000/01 *Public Accounts* information.
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[6] Includes British Columbia Ferry Corporation debt forgiveness ($1,080 million), Vancouver Trade and Convention Centre write-down ($70 million), and Kemess Mine investment write-down ($33 million).

During 2000/01, the legislature approved supplementary estimates authorizing additional spending in the Ministry of Health and other programs. In addition, legislation in various programs provided statutory authority to pay for additional costs of forest fire fighting, Crown Proceeding Act settlements and other statutory items. Significant areas of spending and changes from budget included:

Ministry of Aboriginal Affairs — $19 million above budget mainly due to payments of stumpage revenue collected on behalf of the McLeod Lake Indian Band, and for interim measures in support of ongoing treaty negotiations.

Ministry of Advanced Education, Training and Technology — $224 million above budget mainly due to one-time grants for the Michael Smith Foundation for Health Research, and for library and technology acquisitions. Other variances included higher spending resulting from capital advances reclassified as operating costs, post-secondary collective agreements and accords, a new lender arrangement for student financial assistance, and heating assistance for educational institutions. These were partially offset by lower debt servicing costs for capital-related debt. Compared to the previous year, spending rose 19 per cent due to increased funding for educational institutions and organizations. Total funded post-secondary full-time equivalent student spaces increased 3.5 per cent from 145,684 in 1999/00 to 150,788 in 2000/01.

Ministry of Attorney General — $86 million above budget mainly due to higher costs for settlements under the Crown Proceeding Act, increased policing services, and Jericho Hill School compensation. Spending was 2.1 per cent higher than the previous year mainly reflecting costs of additional police officers.

Ministry of Education — $76 million above budget as a result of capital advances reclassified as operating costs; one-time learning and technology grants; heating assistance for schools; and a decision not to change the independent school funding formula as assumed in the budget. Additional costs were partially offset by lower debt servicing costs and a $10-million enrolment buffer. Spending rose 6.1 per cent from the previous year reflecting increased funding for public and independent schools, and higher capital and debt service costs. In 2000/01, public school full-time enrolment declined 0.7 per cent from 1999/00, while independent school enrolment rose 0.6 per cent.

Ministry of Energy and Mines — $20 million above budget. Higher natural gas prices resulted in increased contributions required under the Vancouver Island Natural Gas Pipeline Project Agreement. Also, higher royalties received by the government resulted in additional disbursements under First Nation resource revenue sharing agreements.

Ministry of Environment, Lands and Parks — $10 million above budget due to additional spending for pollution prevention, fisheries, wildlife and habitat programs, park facility health and safety repairs, Cypress Bowl water and sewer improvements, climate change initiatives and a moratorium on hunting grizzly bears.

Ministry of Forests — $44 million above budget mainly due to higher costs of forest fire suppression, an inventory valuation adjustment in the small business forest enterprise program and unanticipated costs for bark beetle infestation management.

Ministry of Health — $385 million above budget. Spending for acute and continuing care was $281 million above budget to finance service pressures of the health authorities and the Health Action Plan. Medical Services Plan spending was up $65 million in part due to an additional $41 million spent for physician recruitment and retention issues in rural and small urban centres. Other changes included

emergency health services (up $19 million), public and preventive health (up $15 million) and Pharmacare (down $4 million). Ministry spending was up 8.5 per cent from 1999/00, reflecting the significant increases in most areas.

Ministry of Labour — up $5 million mainly due to a loan valuation adjustment for the Pacific Racing Association.

Ministry of Multiculturalism and Immigration (responsible for the Public Service Employee Relations Commission and cross-government pension costs) — $5 million above budget due to the effect of a new valuation of the MLA Superannuation Pension Plan. The $88-million decrease from the previous year reflects reduced pension costs due to pension accounting policy changes introduced in 1999/00.

Ministry of Municipal Affairs — $5 million above budget due to additional spending for home owner grants and library assistance.

Ministry of Small Business, Tourism and Culture — $13 million above budget mainly due to additional spending for arts and heritage, the BC Feature Film Fund, the Winter Olympics Bid Society and archaeology program spending.

Ministry of Social Development and Economic Security (responsible for British Columbia Transit) — $12 million below budget. Ministry programs were $1 million above budget while contributions to British Columbia Transit were $17 million below budget due to a change in the formula used for amortizing annual capital investments and lower debt servicing costs. The remainder of the budget variance reflects a valuation adjustment to the government's investment in B.C. Pavilion Corporation.

Ministry of Transportation and Highways — on budget. During 2000/01, the ministry undertook $247 million of capital construction and $156 million of highway rehabilitation, primarily on behalf of the BC Transportation Financing Authority.

Management of Public Funds and Debt (debt interest) — $120 million below budget due to lower-than-assumed borrowing requirements and interest rates. Significantly improved operating results and lower capital spending resulted in total provincial debt being $2.6 billion below plan. In addition, short-term interest rates averaged 5.7 per cent and long-term rates averaged 6.4 per cent compared to 6.0 per cent and 7.4 per cent assumed in the budget. Despite these developments, interest costs rose 6.5 per cent from the previous year due higher interest rates and the full-year effect of debt increases in 1999/00.

BC Benefits — $7 million below budget and 21 per cent lower than 1999/00 due to program changes in response to federal changes to the National Child Benefit System.

Other Appropriations — $56 million above budget, reflecting $42 million of the BC Energy Rebate recorded as expenditure, $9 million for seismic upgrades to government buildings and year-end adjustments.

Amortization of Change in Unfunded Pension Liability and Accounting Policy Changes

- As a result of a re-estimate of the outstanding liability for the combined Teachers' Pension, Public Service Pension and Municipal Superannuation Plans, the annual amortization of a reduction in the unfunded pension liability of the plans was $136 million higher-than-budget. This change reduced the amount of the government's annual pension expense.

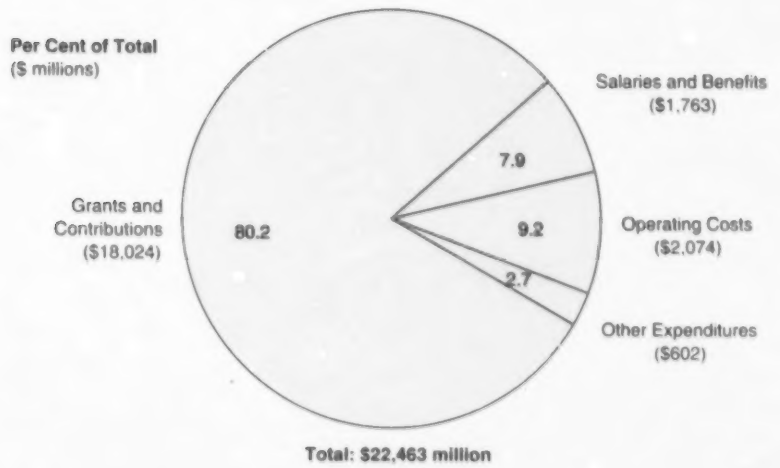
- In July 2000, the Auditor General recommended a change in the government's pension accounting policy. As this change was adopted after the tabling of the 2000/01 Estimates, it resulted in a further unanticipated reduction to pension expenses of $368 million.

Joint Trusteeship

The introduction of joint trusteeship for the Public Service Pension Plan in January 2001 resulted in a $52-million one-time cost to write down the accumulated pension plan surplus recorded on the government's accounts at the time of the plan change. This cost was recorded in the 2000/01 *Public Accounts* as an adjustment to the summary accounts surplus (see Table 2.1)

Chart 2.6 shows the provincial government's spending in 2000/01, according to expenditure type.

Chart 2.6 Consolidated Revenue Fund Expenditure by Group Account Classification, 2000/01



Over 80 per cent of provincial government spending in 2000/01 was for grants and contributions to schools, hospitals, universities and colleges, other agencies and organizations, local governments and income assistance to individuals. A significant portion of these grants fund related public sector wages.

Salaries and benefits for direct employees accounted for 7.9 per cent of spending. Operating costs, which include office operations, asset amortization, utilities, computer systems, building rentals, professional services, travel, and advertising and publications, made up 9.2 per cent of spending. Other expenditures includes interest charges on government direct operating debt, which equalled 2.7 per cent of total spending, and recoveries from outside of government, which reduced government spending.

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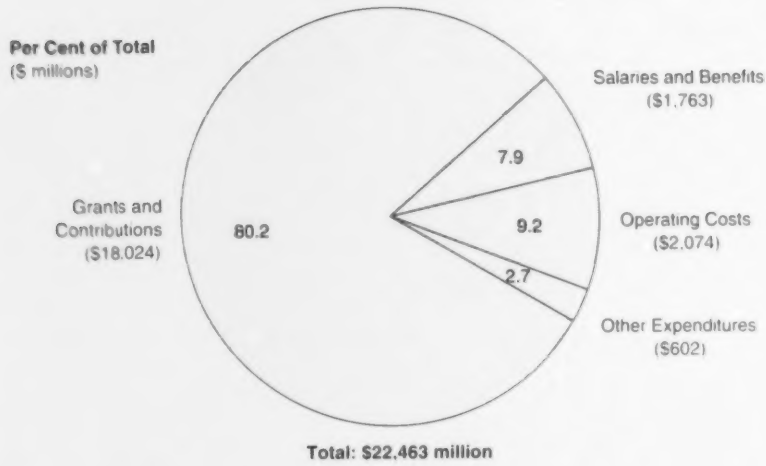

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Salaries and benefits for direct employees accounted for 7.9 per cent of spending. Operating costs, which include office operations, asset amortization, utilities, computer systems, building rentals, professional services, travel, and advertising and publications, made up 9.2 per cent of spending. Other expenditures includes interest charges on government direct operating debt, which equalled 2.7 per cent of total spending, and recoveries from outside of government, which reduced government spending.

Crown Corporation Results

Taxpayer-supported Crown corporations and agencies provide economic and social benefits but generally depend on provincial government subsidies or dedicated revenue sources. By contrast, self-supported commercial Crown corporations generally pay their own operating and debt service costs without provincial government assistance, and may also pay dividends to the government.

The operations of Crown corporations and agencies are recorded in their own financial statements, which are subject to audit by either the Auditor General or private sector auditors. The government's consolidated revenue fund financial statements reflect transactions between the government and its Crown corporations and agencies. Combined financial results of the government and its Crown corporations and agencies are reported in the government's summary financial statements (or summary accounts).

In total, Crown corporations and agencies (after adjustments) resulted in a net loss to the government's summary accounts of $53 million in 2000/01, compared to the budget forecast of a $178-million loss. The improvement mainly reflects stronger-than-expected financial results of BC Hydro and ICBC (see Table 2.1).

Crown corporation results in 2000/01 were significantly lower than in 1999/00. This reflects:

- the one-time positive effect in 1999/00 of the government's debt assistance to British Columbia Ferry Corporation, partially offset by write-downs of the *PacifiCat* ferries and British Columbia Railway Company assets; and
- the government's decision to provide rebates to electricity customers and safe drivers which totalled $529 million in 2000/01.

Excluding one-time items and customer rebates, Crown corporations would have provided a positive contribution of $476 million in 2000/01 compared to $183 million in 1999/00.

Table 2.6 provides summary operating results for major Crown corporations based on their 2000/01 financial statements (or fiscal years ending in that period). Five-year details are provided in Appendix 2.

Taxpayer-Supported Crown Corporations and Agencies

At $210 million, combined taxpayer-supported net losses (after adjustments) were $96 million less than budget. Operating results were better than expected largely due to an improvement in the finances of British Columbia Ferry Corporation and the sale of 577315 British Columbia Ltd.'s investment in Western Star Trucks.

Table 2.6 Operating Results of Major Crown Corporations and Agencies[1]

	2000/01				1999/00		
	Revenue	Expenditure	Actual Net Income	Budget Estimate Net Income[2]	Revenue	Expenditure	Actual Net Income
				$ millions			
Taxpayer-supported:							
British Columbia Buildings Corporation	462	411	51	62	464	419	45
British Columbia Ferry Corporation	457	446	11	(10)	443	742	(299)
BC Transportation Financing Authority[3]	477	476	1	(1)	400	378	22
Forest Renewal BC	221	285	(64)	(52)	333	332	1
Commercial:							
British Columbia Hydro and Power Authority	7,889	7,030	859	412	3,456	2,911	545
Less: — Transfer (to) from rate stabilization account			(103)	17			(129)
— Customer profit sharing			(310)	—			—
			446	429			416
Liquor Distribution Branch	1,732	1,090	642	620	1,670	1,053	617
British Columbia Lottery Corporation	1,488	926	562	542	1,408	876	532
British Columbia Railway Company[4]	496	503	(7)	40	479	1,061	(582)
Insurance Corporation of British Columbia[4]	3,013	2,655	358	3	2,835	2,739	96
Less: — Road safety dividend			(219)	—			—
			139	3			96

[1] Based on *2000/01 Public Accounts* information.
[2] Based on Crown corporation and Ministry of Finance estimates.
[3] Revenue and expenditures include the amortization of contributed surplus and the cost of highways transferred to the authority by the provincial government.
[4] These corporations have fiscal years ending December 31. For example, figures for 2000/01 reflect the operating results for the year ended December 31, 2000.

British Columbia Buildings Corporation

Net income of $51 million was $11 million below budget mainly due to lower-than-assumed sales of properties.

- Revenue was $3 million below budget and 0.3 per cent lower than 1999/00. Expenses were $8 million above budget, but 1.7 per cent lower than the previous year as higher costs for operations and maintenance, client-requested projects and energy were more than offset by a 36-per-cent reduction in interest costs due to the retirement of some high-interest-rate debt in 1999/00.
- In 2000/01, the corporation paid a $50-million dividend to the government.

British Columbia Ferry Corporation

Net income of $11 million was a $21-million improvement from budget primarily due to lower salary costs and amortization expense. The $310-million improvement over the previous year reflects the effect of a $240-million write-down of the *Pacifica* ferries, and the elimination of $1.1 billion on long-term debt owed to the provincial government in 1999/00.

- Operating revenue was $3 million below budget but 1.6 per cent higher than 1999/00, primarily due to higher income from catering and other sources. The corporation received $73 million of dedicated fuel tax from the provincial government (1.25 cents per litre of provincial fuel tax), up from $65 million received the previous year.
- Operating costs were $24 million below budget but 1.5 per cent higher than the previous year mainly due to higher costs for fuel. Interest costs were almost eliminated as a result of the removal of long-term debt. Amortization expense declined 18 per cent, reflecting the write-down of the *PacifiCat* ferries in 1999/00.

BC Transportation Financing Authority (BCTFA)

Net income of $0.7 million was a $1.6-million improvement from budget and compares to net income of $22-million in 1999/00.

- Revenue increased 19 per cent from 1999/00 largely due to a 0.25-cents-per-litre increase in dedicated fuel tax received from the government and increased recoveries for construction undertaken on behalf of the *SkyTrain* project. An additional $190 million of revenue was recognized to reflect the amortization of the value of highway assets contributed to the BCTFA on March 31, 1999.
- Expenditures (excluding one-time items) rose 26 per cent in 2000/01 mainly due to higher debt interest, *SkyTrain* construction and amortization costs. Annual capital spending on transportation infrastructure projects totalled $485 million.

Forest Renewal BC

A net loss of $64 million was $12 million higher than budgeted and compares to net income of $1 million in 1999/00.

- Revenue was $46 million below budget and 34 per cent lower than 1999/00 due to lower stumpage revenue received in response to weakened market conditions.
- Expenditure was $34 million below budget and 14 per cent lower than the previous year as a result of spending reductions in response to a lower revenue outlook since the start of the year. At year-end, the corporation had a $436-million balance in its program continuity reserve.

Other Taxpayer-supported Crown Corporations and Agencies

A combined net income of $49 million compares to a budgeted loss of $16 million. The change largely reflects the $18-million sale of 577315 British Columbia Ltd.'s investment in Western Star Trucks Holdings Ltd. and improvements in other corporations.

- British Columbia Transit — net expenditures of $122 million for operations outside of the Lower Mainland were fully funded through farebox, investment earnings and provincial and municipal contributions.
- British Columbia Securities Commission — $8 million net income.
- B.C. Pavilion Corporation — in balance after receiving a $2-million provincial subsidy for operating shortfalls and capital expenditures.
- Oil and Gas Commission — $7 million net income.
- British Columbia Assessment Authority — $3 million net income.
- Okanagan Valley Tree Fruit Authority — $4 million net income.

Commercial Crown Corporations and Agencies

At $157 million, combined commercial Crown corporation net income (after adjustments) was $29 million above budget. Including a transfer of $103 million to BC Hydro's rate stabilization account, total operating income of $1.9 billion was $230 million higher than planned. Most of the improvement reflects strong financial performance in BC Hydro and ICBC, and incorporates the effect of rebates to residential electricity customers and safe drivers totalling $529 million.

British Columbia Hydro and Power Authority

Income before customer profit sharing and rate stabilization account transfers was $859 million. This was more than double the 2000/01 plan and 57 per cent higher than in 1999/00. Higher electricity trade revenue accounted for almost all of the increase.

- In the seventh year of a rate freeze, domestic revenues rose 4.5 per cent from the previous year primarily due to higher large industrial purchases by customers who resumed production that had been temporarily shut down the previous year.
- Electricity trade revenue increased $4.3 billion as high demand in the California market and reduced U.S. generating capability due to dry weather conditions sent export market prices soaring.
- Energy costs rose $3.8 billion due to a fourfold increase in the price of electricity and gas purchases, along with higher purchase volumes. A 13-per-cent drop from the previous year in the level of reservoir water inflows caused a reduction in low-cost hydro generation and a corresponding increase in energy purchases.
- Operations, maintenance and administration costs increased 71 per cent primarily due to additional provisions to reflect uncertainty of collecting some energy sales to California. Finance costs fell 3.4 per cent due to a lower average levels of debt during the year.

Ruskin Dam, Ruskin, B.C.

(photo courtesy of BC Hydro)

- BC Hydro distributed $310 million in customer profit sharing in 2000/01. As required by regulation, the authority also transferred $103 million of surplus earnings to the rate stabilization account at year-end. This resulted in net income of $446 million, of which $372 million was paid to the government as a dividend.

- Capital spending totalled $412 million and was used to expand and improve the distribution system, upgrade substations, transmission lines and computers, and for control and communications projects.

Liquor Distribution Branch (LDB)

Net income of $642 million was $22 million above budget and 4.1 per cent higher than 1999/00 as a 4.3-per-cent increase in net sales (after direct costs) and other income was partially offset by a 5.0-per-cent increase in operating costs. LDB net income is reported as part of the government's CRF revenue.

British Columbia Lottery Corporation

Net income of $562 million was $20 million higher than budget and 5.6 per cent higher than 1999/00 mainly due to increased activity in all areas of gaming.

- Gaming revenue increased 5.8 per cent from the previous year. Lottery sales increased $30 million as higher sales of Club Keno and other lottery products offset a $14-million decline in Lotto 6/49 sales. Casino and electronic bingo revenues increased $52 million due to the full-year effect of operations commenced later in the previous year.

- Prizes and other direct costs rose 6.7 per cent in response to higher sales while operating expenses were unchanged.

- During 2000/01, the corporation's net income was distributed as follows:
  - — $133 million was transferred to charities and local governments;
  - — $8 million was recovered by the provincial government to offset costs of problem gaming treatment and gaming policy administration;
  - — $7 million was paid to the federal government under agreement; and
  - — the balance of $414 million was recorded by the government as CRF revenue to provide funding for programs.

British Columbia Railway Company

A net loss of $7 million for the year ending December 31, 2000 resulted from a $13-million one-time provision for environmental remediation of various rail properties. Excluding this adjustment, net income of $6 million was $34 million below budget and $29 million lower than comparable operating results for the previous year.

- Operating revenue increased 3.7 per cent from 1999 as lower rail revenue, due to labour-related service disruptions, poor weather and a weakened lumber market, was partially offset by increased revenue from marine operations and land sales.

- Operating expenses rose 9.8 per cent primarily due to increased marine activity, higher fuel prices and reorganization costs. Financing and tax expenses rose 17 per cent due to higher average levels of outstanding debt during the year.

Insurance Corporation of British Columbia

Income before road safety dividends totalled $358 million for the year ending December 31, 2000. This was significantly higher than the budget of $3 million and $96 million net income reported in 1999. After payment of a $219-million road safety dividend, net income totalled $139 million.

- Despite a premium rate freeze, net revenue increased 6.4 per cent from 1999 mainly due to higher investment income. The number of vehicle policies increased 1.6 per cent while the average premium per policy fell 0.7 per cent.
- Costs for claims incurred fell 5.6 per cent. The number of claims declined 0.3 per cent and the average cost per claim incurred decreased 3.3 per cent. There was also a significant downward adjustment in the expected cost of settling outstanding claims in previous years. Other expenses increased 2.5 per cent.

Five-year financial statements for selected major Crown corporations are presented in Appendix Tables A2.11 to A2.19.

Provincial Capital Spending

Maintaining the existing asset base, replacing aging infrastructure and meeting the needs of a changing population all require capital spending. Table 2.7 summarizes capital expenditures for 2000/01.

Capital spending for the full year totalled $2.8 billion, $279 million below budget. Capital expenditures for education facilities were $191 million below budget reflecting slower-than-planned spending and an accounting change that resulted in $128 million of capital costs being reclassified as part of ministry operating expenditures.

Expenditures for roads, ferries and public transit were $133 million below budget while capital spending for health facilities was $102 million above budget, reflecting additional funding provided for hospital equipment purchases and an accounting change that resulted in some ministry operating expenditures being reclassified as capital spending.

Self-supported commercial Crown corporation capital spending totalled $771 million in 2000/01, $34 million below budget. Most of this spending was financed by higher-than-expected net incomes earned by the corporations, with some surplus earnings also used to reduce debt.

Some of the specific projects undertaken during the year are listed in Table 2.8.

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Table 2.7 2000/01 Capital Expenditures

	Budget Estimate 2000/01	Actual 2000/01	Variance[1]	Actual 1999/00
		($ millions)		
Taxpayer-supported				
Capital Plan				
Education	579	388[2]	(191)	489
Health	309	411[2]	102	247
BC Transportation Financing Authority	502[3]	474	(28)	478
British Columbia Ferry Corporation	117	59	(58)	121
Rapid Transit Project 2000	413	366	(47)	396
Other[4]	90	69	(21)	57
Gross capital plan	2,010	1,767	(243)	1,788
Less: recoverable expenditures[5]				
Hospital districts	(52)	(46)	6	(22)
Greater Vancouver Transportation Authority (*TransLink*)	(34)	(18)	16	(44)
Net capital plan	1,924	1,703	(221)	1,722
Other taxpayer-supported				
Government operating (ministries)	223	183	(40)	156
552513 British Columbia Ltd. (Skeena Cellulose Inc.)[6]	89	81	(8)	—
Social Housing[7]	20	43	23	12
Other[8]	17	18	1	10
Total taxpayer-supported	2,273	2,028	(245)	1,900
Self-supported commercial				
British Columbia Hydro and Power Authority	450	412	(38)	403
British Columbia Railway Company	125	122	(3)	159
552513 British Columbia Ltd. (Skeena Cellulose Inc.)[6]	—	—	—	49
Columbia Power Corporation	69	63	(6)	26
Columbia Basin Trust — joint ventures	69	63	(6)	26
Insurance Corporation of British Columbia	66	39	(27)	45
ICBC Properties Ltd.	—[9]	39	39	46
British Columbia Lottery Corporation	—[9]	13	13	10
Liquor Distribution Branch	26	20	(6)	3
Total self-supported commercial	805	771	(34)	767
Total capital expenditures	3,078	2,799	(279)	2,667

[1] 2000/01 actual less 2000/01 budget.

[2] Includes the effect of certain costs previously considered capital expenditures being reclassified as operating costs and vice versa. The net effect of the change was to decrease education capital expenditures by $128 million and capital expenditures for the seismic upgrading of government buildings by $10 million. The change increased health capital expenditures, including funding provided through supplementary estimates, by $127 million.

[3] Restated to include $16 million previously included with other taxpayer-supported capital expenditures.

[4] British Columbia Buildings Corporation, Ministry of Attorney General, Ministry for Children and Families, British Columbia Transit and the Pacific National Exhibition.

[5] Expenditures by hospital districts for cost-shared projects and capital spending on behalf of, and recovered from, the Greater Vancouver Transportation Authority (*TransLink*).

[6] Based on a revised outlook for lower world pulp prices and its potential impact on the finances of 552513 British Columbia Ltd. (Skeena Cellulose Inc.), the company has been reclassified from self-supported to taxpayer-supported in 2000/01.

[7] Net of construction costs recoverable from non-profit societies.

[8] Includes British Columbia Buildings Corporation (non-capital-plan projects), B.C. Pavilion Corporation, British Columbia Securities Commission, Tourism British Columbia and British Columbia Assessment Authority.

[9] An estimate was not available for the 2000/01 budget.

F2

Table 2.7 2000/01 Capital Expenditures

	Budget Estimate 2000/01	Actual 2000/01	Variance[1]	Actual 1999/00
		($ millions)		
Taxpayer-supported				
Capital Plan				
Education	579	[illegible]	(191)	489
Health	309	[illegible]	102	247
BC Transportation Financing Authority	502[3]	[illegible]	(28)	478
British Columbia Ferry Corporation	117	[illegible]	(58)	121
Rapid Transit Project 2000	413	[illegible]	(47)	396
Other[4]	90	[illegible]	(21)	57
Gross capital plan	2,010	[illegible]	(243)	1,788
Less: recoverable expenditures[5]				
Hospital districts	(52)	[illegible]	6	(22)
Greater Vancouver Transportation Authority (*TransLink*)	(34)	[illegible]	16	(44)
Net capital plan	1,924	[illegible]	(221)	1,722
Other taxpayer-supported				
Government operating (ministries)	223	[illegible]	(40)	156
552513 British Columbia Ltd. (Skeena Cellulose Inc.)[6]	89	[illegible]	(8)	—
Social Housing[7]	20	[illegible]	23	12
Other[8]	17	[illegible]	1	10
Total taxpayer-supported	**2,273**	[illegible]	**(245)**	**1,900**
Self-supported commercial				
British Columbia Hydro and Power Authority	450	[illegible]	(38)	403
British Columbia Railway Company	125	[illegible]	(3)	159
552513 British Columbia Ltd. (Skeena Cellulose Inc.)[6]	—	[illegible]	—	49
Columbia Power Corporation	69	[illegible]	(6)	26
Columbia Basin Trust — joint ventures	69	[illegible]	(6)	26
Insurance Corporation of British Columbia	66	[illegible]	(27)	45
ICBC Properties Ltd.	—[9]	[illegible]	39	46
British Columbia Lottery Corporation	—[9]	[illegible]	13	10
Liquor Distribution Branch	26	[illegible]	(6)	3
Total self-supported commercial	**805**	[illegible]	**(34)**	**767**
Total capital expenditures	**3,078**	[illegible]	**(279)**	**2,667**

[1] 2000/01 actual less 2000/01 budget.

[2] Includes the effect of certain costs previously considered capital expenditures being reclassified as operating costs and vice versa. The net effect of the change was to decrease education capital expenditures by $128 million and capital expenditures for the seismic upgrading of government buildings by $10 million. The change increased health capital expenditures, including funding provided through supplementary estimates, by $127 million.

[3] Restated to include $16 million previously included with other taxpayer-supported capital expenditures.

[4] British Columbia Buildings Corporation, Ministry of Attorney General, Ministry for Children and Families, British Columbia Transit and the Pacific National Exhibition.

[5] Expenditures by hospital districts for cost-shared projects and capital spending on behalf of, and recovered from, the Greater Vancouver Transportation Authority (*TransLink*).

[6] Based on a revised outlook for lower world pulp prices and its potential impact on the finances of 552513 British Columbia Ltd. (Skeena Cellulose Inc.), the company has been reclassified from self-supported to taxpayer-supported in 2000/01.

[7] Net of construction costs recoverable from non-profit societies.

[8] Includes British Columbia Buildings Corporation (non-capital-plan projects), B.C. Pavilion Corporation, British Columbia Securities Commission, Tourism British Columbia and British Columbia Assessment Authority.

[9] An estimate was not available for the 2000/01 budget.

F2

Table 2.8 Capital Expenditure Projects

Taxpayer-supported capital spending for education, health, justice social housing and other related facilities included:	
New school construction	*Abbotsford* — W. J. Mouat Middle; *Comox* — Cape Lazo Middle; *Courtenay* — Mission Middle; *Delta* — Captain Cove Elementary; *Kamloops* — Pacific Way Elementary; *Maple Bay* — Maple Bay Area Elementary; *Port Moody* — Aspenwood Elementary; *Prince George* — Heather Park Middle; *Richmond* — MacNeill Secondary, Spal'u'kwuks Elementary; *Sooke* — Journey Elementary; *Surrey* — Chimney Hill Area and Tynehead South Elementaries
School planning, replacement, additions and renovations	*Abbotsford* — Yale Secondary; *Brackendale* — Brackendale Secondary; *Burnaby* — Moscrop Secondary; *Cobble Hill* — Cobble Hill Elementary; *Coquitlam* — Dr. Charles Best Secondary; *Cranbrook* — Parkland Jr. Secondary; *Delta* — North Delta Jr Secondary; *Howe Sound* — Signal Hill Elementary; *Invermere* — McKim Elementary/Junior Secondary; *Kelowna* — Kelowna Secondary; *Langley* — Walnut Grove Secondary; *Maple Ridge* — Hammond Elementary; *Nanaimo* — Wellington Secondary; *North Vancouver* — Handsworth Secondary; *Osoyoos* — Osoyoos Elementary; *Pitt Meadows* — Pitt Meadows Middle; *Qualicum Beach* — Qualicum Beach Middle; *Queen Charlotte City* — Queen Charlotte Secondary; *Richmond* — Richmond Secondary; *Smithers* — Smithers Secondary; *Surrey* — West Whalley Secondary, Rosemary Heights East and Surrey Centre West Elementaries; *Trail* — L. J. Morrish Elementary; *Vancouver* — Killarney Secondary
Post-secondary planning, additions and renovations	*Kamloops* — Animal Health Technology Facility — University College of the Cariboo; *Maple Ridge* — Fire Safety Training Centre; Justice Institute of BC; *Merritt* — joint Nicola Valley Institute of Technology/University College of the Cariboo campus; *Nanaimo* — Phase III Major Facilities Redevelopment — Malaspina University College; *Prince George* — UNBC Laboratory Building; *Prince Rupert* — Northwest Community College
Hospital and health-care facilities planning, construction, upgrading and equipment purchases	*Campbell River* — Multi-level care facility; *Clearwater* — health care centre; *Kamloops* — Royal Inland Hospital second floor redevelopment and tertiary psychiatric facility; *Keremeos* — health care centre; *Kitimat* — community health centre; *Lytton* — health care centre; *Nanaimo* — Phase 2 upgrade to Regional General Hospital; *Port Alberni* — West Coast General Hospital; *Prince George* — Prince George Regional Hospital phase 1 reconstruction; *Surrey* — Surrey Memorial Hospital and Zion Park Manor; *Trail* — ambulatory care unit; *Vancouver* — Children & Women's Health Centre — ambulatory/emergency care unit, Vancouver General Hospital tower, SUCCESS and Fairhaven Care Homes; *Victoria* — Vancouver Island Cancer Clinic and Royal Jubilee Hospital
Justice facilities expansion construction	*Chilliwack* - Chilliwack courthouse; *Port Coquitlam* — North Fraser Pre-Trial Centre
Social Housing	Land Purchases for social housing projects, including the Woodward's building in Vancouver; land and building purchases for group homes; and work-in-progress for future social housing
Taxpayer-supported capital spending for transportation included:	
Road/bridge construction	John Hart Bridge and interchange in Prince George; Highway 1: Sumas Canal to Vedder River (Abbotsford); South Surrey interchange; airport connector; Mount Lehman interchange; Vancouver Island Highway
Road/bridge upgrading/rehabilitation	Highway 1: Cache Creek to the Rockies; Lions Gate Bridge in Vancouver; Port Mann Bridge in Coquitlam/Surrey; Highway 97C: Garcia Lake to Aspen Grove; Nisga'a Highway in the Nass Valley; road and bridge resurfacing throughout the province; traffic management program
Ferries	Ferry maintenance and terminal improvements
Rapid transit	*SkyTrain* extension construction
Capital spending of self-supported Crown corporations and agencies included:	
Rail/terminal construction	Vancouver Wharves terminal expansion including a full-service speciality agricultural products facility; rail and tie replacement and roadbed improvements throughout the province; rail equipment purchases
Power generation	Upgrades to the Burrard Generating Station to comply with regulatory requirements and retain the plants energy supply capacity; technical surveys and environmental studies for the Georgia Strait Crossing project to supply natural gas to generating plants on Vancouver Island; upgrades to substations, transmission and distribution lines, computers and control and communications projects; continued construction of the Arrow Lakes Generating Station
Real estate	Renovation of Surrey City Centre (including space for the Technical University of British Columbia)

Significant capital projects (those with multi-year budgets totalling $50 million or more) are shown in Table 2.9. Annual expenditures for these projects are included as part of the provincial government's capital spending shown in Table 2.7. Spending on major projects totalled $713 million in 2000/01. The cumulative total of $3.0 billion at March 31, 2001 included:

- $2.2 billion for major transportation capital projects;
- $151 million for major health facilities;
- $475 million for power generation capital projects by the British Columbia Hydro and Power Authority and Arrow Lakes Power Company; and
- $85 million for the acquisition and renovation of Surrey City Centre (including space for the Technical University of British Columbia) by ICBC Properties Ltd. (a division of the Insurance Corporation of British Columbia).

An 1887 British Columbia government debenture.

Table 2.9 Major Capital Projects (Total Costs Greater Than $50 million)

Project	Start Date	Forecast Completion Date	Cumulative Spending at Mar. 31, 2000[1]	Actual Spending 2000/01	Cumulative Spending at Mar. 31, 2001	Total Project Budget[2]	Total Project Forecast[2]
			($ millions)				
Transportation							
Vancouver Island Highway	1991	Fall 2002	1,139	75	1,214	1,306[3]	1,306[3]
Lion's Gate Bridge	May 1998	Sept. 2001	53	46	99	108	108
Port Mann Bridge/Cape Horn Interchange	Aug. 1998	March 2003	16	30	46	74	74
SkyTrain Extension — Phase 1	Sept. 1998	Dec. 2002	489	322	811	1,167	1,167
SkyTrain Fleet Expansion	Oct. 1998	Oct. 2001	59	4	63	68	68
Total transportation			1,756	477	2,233	2,723	2,723
Health Facilities							
Vancouver General Hospital	Sept. 2000	2004[4]	4	8	12	156	156
Royal Jubilee Hospital (Victoria)	Aug. 1999	Dec. 2001	29	35	64	116	116
Surrey Memorial Hospital	July 1998	Nov. 2001	53	16	69	77	77
Prince George Regional Hospital	Spring 2001	April 2004	1	5	6	50	50
Total health facilities			87	64	151	399	399
Power Generation							
British Columbia Hydro and Power Authority							
— Stave Falls Replacement	Feb. 1995	2003[5]	132	5	137	161	144
— Burrard Upgrade	June 1993	March 2003					
— Burrard Upgrade (including units 4 to 6 SCRs)[6]			105	7	112	176	177
— Burrard Units 1 to 3 SCRs Installation[6]			32	7	39	46	44
Total Burrard Upgrade			137	14	151	222	221
— Port Alberni Power Generation[7]	April 2000[8]	Nov. 2003	—	5	5	180	180
— Georgia Strait Pipeline Crossing[7]	April 2000[8]	Fall 2003	—	9	9	131	131
— Addition of Fourth Generating Unit at Seven Mile Dam	Feb. 1995[5]	March 2004	7	2	9	97	97
Arrow Lakes Power Company[9]							
— Arrow Lakes Generating Station	Feb. 1999	Dec. 2002	66	98	164	270	270
Total power generation			342	133	475	1,061	1,043
Other							
ICBC Properties Ltd.							
— Surrey City Centre (includes Technical University of British Columbia)	Sept. 1999	Jan. 2003	46	39	85	253	253

[1] Total expenditures since commencement of each project.
[2] Represents sum of annual budgeted expenditures to complete each project (estimates as of March 2001).
[3] Adjusted for inflation. Budget in 1993 dollars is $1.2 billion.
[4] Project components were completed starting in December 2000 and will continue over the next four years.
[5] In service as of December 1999. Additional costs will be incurred, but the project is substantially completed.
[6] Burrard generating station upgrade includes installation of Selective Catalytic Reduction (SCRs) systems on all 6 generating units. SCRs reduce emissions from the units and are required to meet the air quality standards for the Greater Vancouver Regional District.
[7] Joint ventures with private sector partners. Amounts shown represent BC Hydro's 50 per cent share of the costs; however, only partial funding has been approved to date.
[8] Initial planning, preliminary field work and engineering design costs. Physical construction will begin at a later date.
[9] A joint venture of the Columbia Power Corporation and the Columbia Basin Trust.

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Provincial Debt[3]

The government and its Crown corporations borrow to finance their own operations (for example, when revenues fall short of expenditures), to finance construction of capital projects or other investments, to refinance maturing debt and to finance working capital needs. Provincial debt is reported using two classifications:

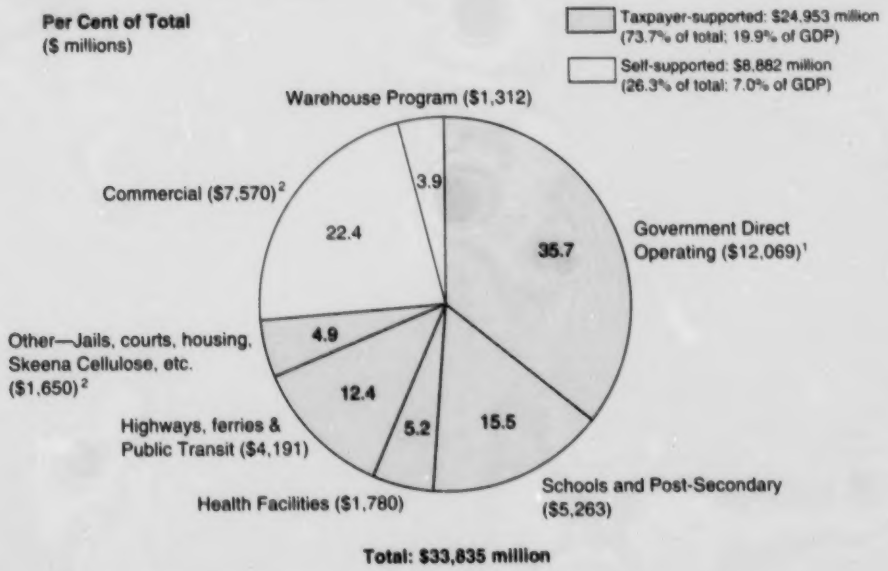
- Taxpayer-supported debt includes debt for government operating and capital purposes, and debt of Crown corporations and agencies that require a subsidy from the provincial government.
- Self-supported debt includes debt of commercial Crown corporations and the warehouse borrowing program. Commercial Crown corporation debt is generally used to finance capital since enough revenue is earned through the sale of services at commercial rates to cover operating expenses, interest costs, and principal repayments. Warehouse borrowing is used to take advantage of market opportunities to borrow in advance of requirements. These funds are invested until they are needed by the government or its Crown corporations and agencies.

Roughly $25 billion or 75 per cent of total provincial debt (excluding the warehouse borrowing program) reflects investments in capital assets — schools, hospitals, roads, transportation, utilities, and other forms of provincial infrastructure.

Provincial debt totalled $33.8 billion at March 31, 2001, or 26.9 per cent of provincial GDP. Significantly improved operating results and lower capital spending resulted in total provincial debt being $2.6 billion below plan. The change from plan reflects:

- a $2.8-billion improvement in the summary accounts balance, and
- $0.3 billion less capital spending, partially offset by
- $0.5 billion of adjustments to recognize the non-cash elements of the summary accounts improvement, and additional student loan guarantees.

Chart 2.7 Provincial Debt at March 31, 2001



1 Operating debt includes a portion of roads infrastructure debt incurred up to 1994/95, and ferry infrastructure debt incurred up to 1999/00. Amount includes debt to finance operating deficits.

2 In 2000/01, the debt of 552513 British Columbia Ltd. (Skeena Cellulose Inc.) was reclassified from self-supported to taxpayer-supported debt.

[3] Debt amounts are reported on a net debt basis, after deducting accumulated sinking funds set aside for debt repayment, and other accounting adjustments.

Provincial Debt[3]

The government and its Crown corporations borrow to finance their own operations (for example, when revenues fall short of expenditures), to finance construction of capital projects or other investments, to refinance maturing debt and to finance working capital needs. Provincial debt is reported using two classifications:

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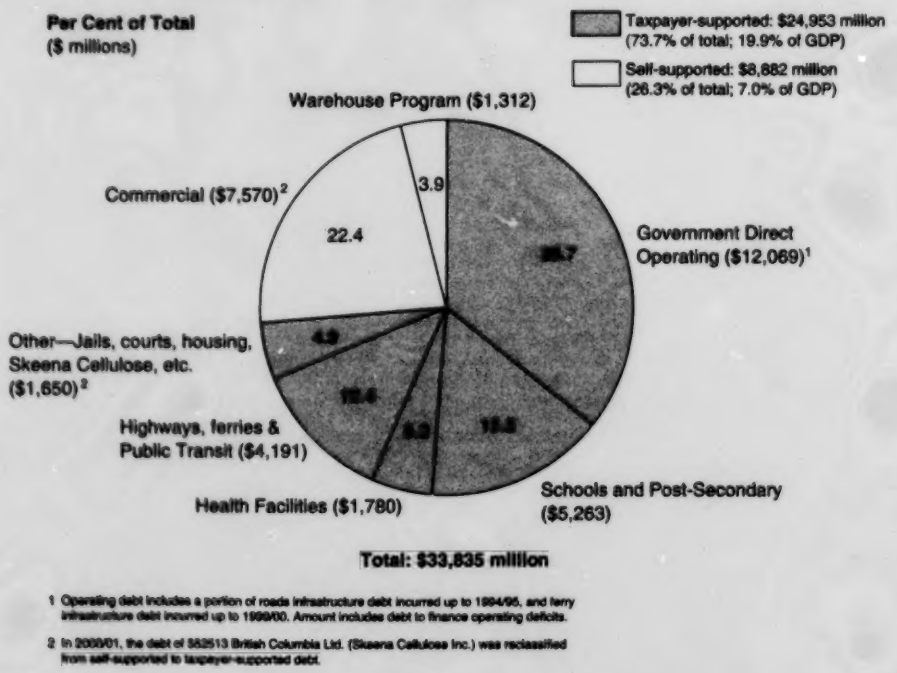
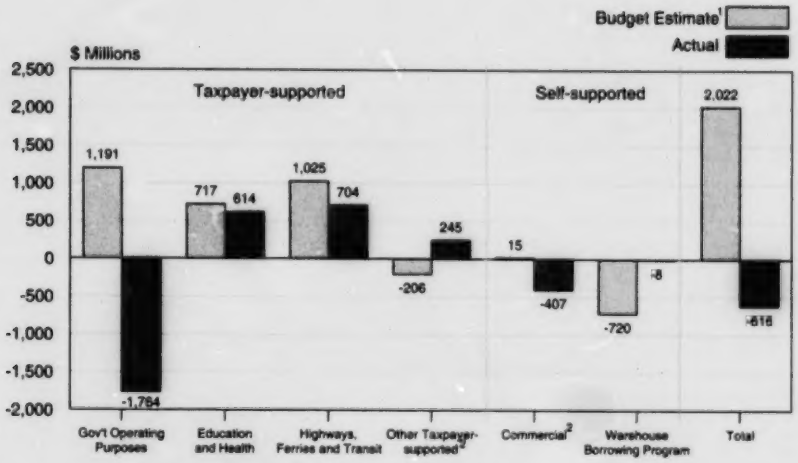
Chart 2.7 Provincial Debt at March 31, 2001


Per Cent of Total
($ millions)
Taxpayer-supported: $24,953 million
(73.7% of total; 19.9% of GDP)
Self-supported: $8,882 million
(26.3% of total; 7.0% of GDP)
Warehouse Program ($1,312)
3.9
Commercial ($7,570)[2]
22.4
Government Direct
Operating ($12,069)[1]
Other—Jails, courts, housing,
Skeena Cellulose, etc.
($1,650)[2]
Highways, ferries &
Public Transit ($4,191)
Health Facilities ($1,780)
Schools and Post-Secondary
($5,263)
Total: $33,835 million
1 Operating debt includes a portion of roads infrastructure debt incurred up to 1994/95, and ferry infrastructure debt incurred up to 1999/00. Amount includes debt to finance operating deficits.
2 In 2000/01, the debt of 552513 British Columbia Ltd. (Skeena Cellulose Inc.) was reclassified from self-supported to taxpayer-supported debt.

[3] Debt amounts are reported on a net debt basis, after deducting accumulated sinking funds set aside for debt repayment, and other accounting adjustments.

Chart 2.8 provides a summary of changes in provincial debt compared to budget. Reduced borrowing for government operating purposes, education capital financing and for most Crown corporations and agencies was partially offset by higher debt requirements for health and social housing capital, and warehoused borrowing in advance of 2001/02 requirements.

Chart 2.8 Change in Total Provincial Debt, 2000/01



1 Adjusted to reflect final *Public Account* balances at March 31, 2000.
2 Includes a reclassification of the debt of 552513 British Columbia Ltd. (Skeena Cellulose Inc.) from commercial self-supported to taxpayer-supported, based on a revised outlook for world pulp prices and its potential impact on the company.

Taxpayer-supported Debt

Taxpayer-supported debt fell by $201 million to total $25 billion at year-end (19.9 per cent of GDP). This was $2.9 billion lower than budget, mainly reflecting lower borrowing requirements of government's consolidated revenue fund. Debt changes included:

- *Government direct operating* debt decreased $1.8 billion from the start of the year, compared to the $1.2 billion planned increase. The decrease in debt resulted from a positive CRF balance of $1.6 billion and a $1-billion reduction in cash and temporary investments. This was partially offset by $0.8 billion of net disbursements for loans, investments and other working capital requirements needed to recognize the non-cash aspects of the positive CRF balance.
- *Education facilities capital financing* debt increased $285 million from the start of the year. The increase was $226 million below budget due to delays in capital spending and higher-than-planned sinking fund balances.
- *Health facilities capital financing* debt was up $329 million from the start of the year. The increase was $123 million higher than planned due to additional approved capital spending.
- *Highways, ferries and public transit* debt increased $704 million from the start of the year. Debt incurred for road construction rose $354 million during the year while other public transit-related debt increased $353 million, primarily for capital financing of the *SkyTrain* extension. The overall debt increase was $321 million lower than budget primarily due to lower-than-expected borrowing by the BC Transportation Financing Authority (reflecting lower capital spending and working capital requirements) and the British Columbia Ferry Corporation (due to improved operating results and lower capital spending).

- *Other* taxpayer-supported debt increased $245 million from the start of the year, $451 million higher than planned. The increase was mainly due to the reclassification of $337 million of 552513 British Columbia Ltd. (Skeena Cellulose Inc.) from self-supported to taxpayer-supported debt, and additional social housing loans and student loan guarantees.

Self-supported Debt

Self-supported debt totalled $8.9 billion (7 per cent of GDP) at March 31, 2001. Debt at year-end was $415 million lower than the previous year but $290 million above plan.

- *Commercial Crown corporation and agencies* debt fell $407 million from the start of the year. The decline was $422 million more than planned primarily due to the reclassification of 552513 British Columbia Ltd. (Skeena Cellulose) debt. In addition, reductions in the debt of BC Hydro and the British Columbia Railway Company were higher than expected due to higher earnings and proceeds from asset disposals used to retire debt.

- *Warehouse borrowing program* debt declined $8 million from the start of the year to total $1.3 billion. The balance was $712 million higher than originally expected as planned drawdowns were not required due to significantly reduced provincial borrowing requirements. As a result, the advanced borrowing will be available for allocation to the provincial government and its Crown corporations and agencies during 2001/02. In the interim, funds will remain invested at market interest rates.

Credit Rating

A credit rating is an evaluation of a borrower's ability to pay interest and to repay principal. A credit rating affects the borrower's debt servicing costs and the investor's rate of return, since an investor will demand a higher interest rate on a higher-risk, lower-rated security. Table 2.10 provides an interprovincial comparison of credit ratings.

Table 2.10 Interprovincial Comparison of Credit Ratings, October 2001

	Rating Agency[1]		
Province	Moody's Investors Service	Standard and Poor's	Dominion Bond Rating Service
British Columbia	Aa2	AA–	AA (Low)
Alberta	Aaa	AAA	AA (High)
Saskatchewan	A1	A+	A
Manitoba	Aa3	AA–	A
Ontario	Aa3	AA	AA
Quebec	A1	A+	A
New Brunswick	A1	AA–	A
Nova Scotia	A3	A–	BBB (High)
Prince Edward Island	A3	Not Rated	A (Low)
Newfoundland	Baa1	A–	BBB

[1] The rating agencies assign letter ratings to borrowers. The major categories, in descending order of credit quality are: AAA/Aaa; AA/Aa; A; BBB/Baa; BB/Ba; and B. The "1", "2", "3", "high", "low", "+", and "–" modifiers show relative standing within the major categories. For example, AA+ exceeds AA and Aa2 exceeds Aa3.

The ratio of taxpayer-supported debt relative to gross domestic product is a measure often used by investors and credit rating agencies when analyzing a province's ability to manage its debt load. British Columbia's taxpayer-supported debt is one of the lowest in Canada, and this translates into a strong credit rating and lower debt service costs.

Debt Indicators

A number of financial indicators are used to help the public understand provincial borrowing and its fiscal impact. Table 2.11 provides a historical summary of financial indicators, which were recommended by the Auditor General. More comprehensive information on the debt of government and its Crown corporations and agencies is provided in the Debt Statistics Report. This document, which is issued concurrent with the Public Accounts, provides a variety of information to help readers assess the province's debt position.

Table 2.11 Key Debt Indicators[1]

	For fiscal year ending March 31					
					2001	
	1997	1998	1999	2000	Budget Estimate	Actual
Debt to revenue (per cent)						
Total provincial	98.2	99.2	103.0	102.3	109.0	83.3
Taxpayer-supported	91.8	94.2	99.5	101.5	114.3	90.1
Debt per capita ($)[2]						
Total provincial	7,566	7,665	8,062	8,553	8,964	8,326
Taxpayer-supported	5,480	5,594	5,797	6,245	6,852	6,140
Debt to GDP (per cent)[3]						
Total provincial	27.1	26.7	28.3	29.0	30.7	26.9
Taxpayer-supported	19.6	19.5	20.3	21.2	23.5	19.9
Interest bite (cents per dollar of revenue)[4]						
Total provincial	8.0	7.6	7.8	7.5	8.4	6.4
Taxpayer-supported	7.3	7.0	7.4	7.2	8.3	6.8
Interest costs ($ millions)						
Total provincial	2,386	2,319	2,452	2,528	2,812	2,604
Taxpayer-supported	1,692	1,656	1,723	1,785	2,024	1,871
Interest rate (per cent)[5]						
Taxpayer-supported	8.2	7.6	7.6	7.4	7.7	7.5
Background Information:						
Revenue ($ millions)						
Total provincial[6]	29,919	30,593	31,294	33,679	33,472	40,609
Taxpayer-supported[7]	23,174	23,525	23,285	24,784	24,399	27,681
Total debt ($ millions)[8]						
Total provincial	29,371	30,355	32,233	34,451	36,473	33,835
Taxpayer-supported[9]	21,275	22,151	23,176	25,154	27,881	24,953
Provincial GDP ($ millions)[10]	108,454	113,596	113,945	118,783	118,820	125,690
Population (thousands at July 1)[11]	3,882	3,960	3,998	4,028	4,069	4,064

[1] Figures for prior years have been restated to conform with the presentation used for 2001.
[2] The ratio of debt to population (e.g. 2000/01 debt divided by population at July 1, 2000).
[3] The ratio of debt outstanding at fiscal year end to provincial nominal gross domestic product (GDP) for the calendar year ending in the fiscal year (e.g. 2000/01 debt divided by 2000 GDP).
[4] The ratio of interest costs (less sinking fund interest) to revenue. Figures include capitalized interest expense in order to provide a more comparable measure to outstanding debt.
[5] Weighted average of all outstanding debt issues.
[6] Includes revenue of the consolidated revenue fund plus revenue of all Crown corporations and agencies.
[7] Excludes revenue of commercial Crown corporations and agencies.
[8] During the period 1995/96 to 1999/00 only an estimate for loan defaults had been included as government guarantees for student loans. Amounts have been restated to add the following guaranteed loans: 2000/01 - $129 million, 1999/00 - $224 million, 1998/99 - $226 million, 1997/98 - $187 million, 1996/97 - $128 million and 1995/96 - $53 million.
[9] Excludes debt of commercial Crown corporations and agencies (including non-guaranteed debt) and funds held under the province's warehouse borrowing program.
[10] GDP for the calendar year ending in the fiscal year (e.g. GDP for 2000 is used for the fiscal year ending March 31, 2001).
[11] Population at July 1st within the fiscal year (e.g. population at July 1, 2000 is used for the fiscal year ending March 31, 2001).

Trust Funds

At March 31, 2001, trust funds totalled $59.7 billion, up $4.1 billion from March 31, 2000. These included:

- superannuation, pension and long-term disability funds for public-sector employees totalling $42.9 billion;
- sinking funds and defeased trust funds, established for the retirement of long-term debt, totalling $5.0 billion and $1.1 billion respectively;
- Workers' Compensation Board investment funds totalled $8.0 billion, and investment funds of commercial Crown corporations and agencies totalling $2.1 billion;
- public trustee and official administrators trust funds totalling $607 million; and
- other trust funds totalling $81 million.

Although trust funds are external to government, investment performance has implications for the long-term costs to taxpayers (such as pension contributions). Trust fund assets are managed by the British Columbia Investment Management Corporation to yield strong investment returns. With trustee approval, investments can be diversified into a wide range of assets including equities, real estate, mortgages and foreign securities.

Other Liabilities

During 2000/01, the provincial government entered into a joint trusteeship agreement with the members of the provincial Public Service Pension Plan. Under joint trusteeship, the provincial government is no longer the sole sponsor of the plan. Instead, sponsorship is now placed with a constituted pension board made up of representatives from the government and plan members.

If a plan has an actuarial surplus at the time a joint trusteeship takes effect, the government eliminates the full amount of any liability on its balance sheet. Similarly, if the government has recognized all or a portion of a pension surplus on its balance sheet, that amount is also eliminated since, under joint trusteeship, the government does not have a claim on those surpluses.

The elimination of a liability is accounted for in the government's audited records as an improvement in the summary operating accounts. The elimination or write-off of a surplus is recorded as an expenditure and may result in either a smaller summary accounts surplus or larger deficit.

When joint trusteeship took effect for the Public Service Pension Plan in January 2001, there was a $52 million unamortized surplus recorded on the government's accounts. This surplus was eliminated, resulting in a one-time cost to the government in 2000/01.

On April 5, 2001, joint trusteeship came into effect for the Teachers' Pension and Municipal Superannuation pension plans. As the government had on its books a significant unamortized pension liability, primarily for the Teacher's Pension Plan, a large one-time benefit of removing most of this liability will be recorded in 2001/02.

Further information on provincial pension plans is provided in Appendix 2 and in the *2000/01 Public Accounts*.

Summary Accounts Balance Sheet

Table 2.12 summarizes the changes in the province's financial position for 2000/01.

Table 2.12 Change in Summary Accounts Financial Position For the Year Ended March 31, 2001

	Change ($ millions)	
Asset and liability changes:		
Increase in assets related to taxpayer-supported capital investments (net of amortization)	1,129[1]	
Increase in net investments in, and loans to, commercial Crown corporations for asset purchases	166[1]	1,295
Reduction in cash and temporary investments		(1,015)
Non-cash and other working capital changes:		
— Reduction in unfunded pension liability (non-cash)	576	
— Other working capital changes and adjustments	34	610
Less: Surplus for the period		(1,498)
Debt decrease for government and its Crown corporations and agencies		(608)
Decrease in warehouse borrowing investments		(8)
Decrease in total provincial debt		(616)

[1] Reflects effect of $2.3 billion in total capital spending (Table 2.7) as follows:

	($ billions)
Taxpayer-supported capital increase	1.9
Less: depreciation and other accounting changes	(0.8)
Net increase in capital investments	1.1
Commercial Crown corporation capital increase	0.8
Less: amounts financed internally	(0.6)
Net increase of investments in commercial Crown corporations (including recoverable loans for asset purchases)	0.2

The table shows that:

- a $1-billion reduction in cash and temporary investments,
- the surplus of $1.5 billion, and
- an $8-million decrease in warehouse borrowing program investments

were used to:

- finance a $1.1-billion increase in taxpayer-supported capital investments,
- increase net investments in commercial Crown corporations (including loans for asset purchases) by $0.2 billion,
- finance non-cash and other working capital requirements totalling $0.6 billion, and
- reduce total provincial debt $0.6 billion.

Further details on the government's financial position are given in Table 2.13.

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Table 2.13 Summary Accounts Balance Sheet As at March 31

	2001	2000	Annual Change
		($ millions)	
Assets			
Cash and temporary investments	554	1,569	(1,015)
Other working capital assets[1]	4,923	4,307	616
Capital assets and investments (net of amortization):			
— Net investment in self-supported Crown corporations and agencies	3,001	2,742	259
— Loans for purchases of assets recoverable from agencies[2]	7,437	7,530	(93)
— Prepaid capital advances	6,905	6,517	388
— Tangible capital assets	10,985	10,244	741
	28,328	27,033	1,295
Warehouse borrowing program assets	1,312	1,320	(8)
	35,117	34,229	888
Liabilities			
Current liabilities[3]	3,874	3,636	238
Unfunded pension liabilities	1,477	2,053	(576)
Debt:			
— Taxpayer-supported debt	24,953	25,154	(201)[6]
— Commercial Crown corporations and agencies	7,570	7,977	(407)[6]
— Warehouse borrowing program	1,312	1,320	(8)
	33,835	34,451	(616)
Less: guarantees and non-guaranteed debt[4]	(597)	(946)	349
	33,238	33,505	(267)
	38,589	39,194	(605)
Net equity (deficiency)[5]	(3,472)	(4,965)	1,493[7]
	35,117	34,229	888

[1] Accounts receivable, loans, inventories and other assets/investments.
[2] Includes loans to commercial Crown corporations for the purchase of assets.
[3] Accounts payable, accrued liabilities and deferred revenue.
[4] Third party guarantees, and provincial guarantees and non-guaranteed debt of commercial Crown corporations and agencies.
[5] Accumulated deficits of the government and Crown corporations and agencies plus accounting adjustments resulting from changes in accounting policy.
[6] Variances include a reclassification of 552513 British Columbia Ltd. (Skeena Cellulose) from a commercial self-supported Crown corporation to a taxpayer-supported Crown corporation. The effect of this change increased taxpayer-supported debt by $337 million with an equal offsetting reduction to commercial Crown corporation debt.
[7] Consists of the $1,498-million surplus for the period plus a $5-million prior period adjustment to incorporate a number of corrections and minor accounting changes effective March 31, 2000.

Summary Accounts Accumulated Deficit[4]

In 2000/01, the summary accounts showed a surplus of $1,498 million. In addition, the government also recorded a number of retroactive adjustments to reflect changes in accounting policies and corrections of information published in the previous year.

These comparative adjustments reduced the 1999/00 summary accounts surplus by $12 million, from the $52 million previously reported to $40 million. The adjustments also resulted in a prior-period adjustment that increased the summary accounts accumulated deficit by $18 million at March 31, 2000.

[4] The accumulated deficit is reported in the government's financial statements as a net deficiency on the balance sheet. This represents the difference between the assets and liabilities of the government and its Crown corporations and agencies.

Table 2.13 Summary Accounts Balance Sheet As at March 31

	2000	Annual Change
	($ millions)	
Assets		
Cash and temporary investments	1,569	(1,015)
Other working capital assets[1]	4,307	616
Capital assets and investments (net of amortization):		
— Net investment in self-supported Crown corporations and agencies	*2,742*	*259*
— Loans for purchases of assets recoverable from agencies[2]	*7,530*	*(93)*
— Prepaid capital advances	*6,517*	*388*
— Tangible capital assets	*10,244*	*741*
	27,033	1,295
Warehouse borrowing program assets	1,320	(8)
	34,229	**888**
Liabilities		
Current liabilities[3]	3,636	238
Unfunded pension liabilities	2,053	(576)
Debt:		
— Taxpayer-supported debt	*25,154*	*(201)*[6]
— Commercial Crown corporations and agencies	*7,977*	*(407)*[6]
— Warehouse borrowing program	*1,320*	*(8)*
	34,451	*(616)*
Less: guarantees and non-guaranteed debt[4]	*(946)*	*349*
	33,505	(267)
	39,194	**(605)**
Net equity (deficiency)[5]	(4,965)	1,493[7]
	34,229	**888**

[1] Accounts receivable, loans, inventories and other assets/investments.
[2] Includes loans to commercial Crown corporations for the purchase of assets.
[3] Accounts payable, accrued liabilities and deferred revenue.
[4] Third party guarantees, and provincial guarantees and non-guaranteed debt of commercial Crown corporations and agencies.
[5] Accumulated deficits of the government and Crown corporations and agencies plus accounting adjustments resulting from changes in accounting policy.
[6] Variances include a reclassification of 552513 British Columbia Ltd. (Skeena Cellulose) from a commercial self-supported Crown corporation to a taxpayer-supported Crown corporation. The effect of this change increased taxpayer-supported debt by $337 million with an equal offsetting reduction to commercial Crown corporation debt.
[7] Consists of the $1,498-million surplus for the period plus a $5-million prior period adjustment to incorporate a number of corrections and minor accounting changes effective March 31, 2000.

Summary Accounts Accumulated Deficit[4]

In 2000/01, the summary accounts showed a surplus of $1,498 million. In addition, the government also recorded a number of retroactive adjustments to reflect changes in accounting policies and corrections of information published in the previous year.

These comparative adjustments reduced the 1999/00 summary accounts surplus by $12 million, from the $52 million previously reported to $40 million. The adjustments also resulted in a prior-period adjustment that increased the summary accounts accumulated deficit by $18 million at March 31, 2000.

[4] The accumulated deficit is reported in the government's financial statements as a net deficiency on the balance sheet. This represents the difference between the assets and liabilities of the government and its Crown corporations and agencies.

These adjustments consisted of:

- The government's capitalization accounting policy was extended to apply to office furniture and equipment. This change, together with some other minor capital valuation corrections and other adjustments, reduced the 1999/00 summary accounts surplus by $7 million and the accumulated deficit by $24 million.
- The accounting policy for recognizing employee future benefits was changed to comply with new accounting standard. This change reduced the 1999/00 summary accounts surplus by $5 million and increased the accumulated deficit by $56 million. Other accounting changes reduced the accumulated deficit by $7 million but did not affect the summary accounts surplus.

The 2000/01 summary accounts surplus, together with prior-period adjustments, reduced the summary accounts accumulated deficit to $3,472 million at March 31, 2001. Further information on changes to the government's accounting policies is shown in Appendix 2 and in the 2000/01 Public Accounts.

Provincial Taxes

To meet its financial commitments, the provincial government has authority to collect revenue through direct taxation within provincial boundaries and to borrow on provincial credit. The 1982 amendments to the *Constitution Act, 1867* gave the provincial government additional taxing authority over natural resources, including indirect taxation.

Appendix Tables A2.27, A2.28 and A2.29 provide details on provincial tax rates, an interprovincial comparison of rates and a summary of major tax changes announced during the first half of 2001.

Income Tax

Personal income tax — Provincial personal and corporation income taxes are collected by the federal government and remitted to the province in regular instalments under a federal/provincial tax collection agreement.

British Columbia applies its own tax brackets and rates directly to federally defined taxable income and provides a set of non-refundable credits that reduce taxes payable. For 2001, the tax rates and corresponding tax brackets are as follows:

Tax Brackets			Tax Rates
$1	to	$30,484	7.3%
$30,484	to	$60,969	10.5%
$60,969	to	$70,000	13.7%
$70,000	to	$85,000	15.7%
Over $85,000			16.7%

Tax is reduced by non-refundable credits that include the basic, spousal, age, charitable donation, medical expense, disability, tuition and education credits. Tax credits and tax brackets are indexed to provincial inflation. A two-income family of four with one spouse earning $35,000 and the other $20,000, and claiming major typical deductions, would have paid provincial income tax equal to 4.4 per cent of total income in 2001.

Since July 1996, the government has provided a monthly BC Family Bonus benefit for low and modest income families with children. About 230,000 British Columbia families received the bonus in the first two years of the program. In July 1998, this benefit was combined with the federal National Child Benefit supplement. Currently, the combined BC Family Bonus and National Child Benefit supplement provides families with up to $111 per child per month.

Also in July 1998, the government introduced the BC Earned Income Benefit to provide additional help for BC Family Bonus recipients with earned income.

Corporation income tax — British Columbia's general corporate income tax rate is 16.5 per cent. Effective January 1, 2001, the small business rate was reduced to 4.5 per cent from 4.75 per cent.

Corporation Capital Tax

The corporation capital tax is applied to adjusted paid-up capital of general corporations at a rate of 0.3 per cent. Banks, trust companies and credit unions are taxed at a rate of three per cent unless their net paid-up capital is $1 billion or less, or they are headquartered in British Columbia, in which case a rate of one per cent applies. Certain corporations are exempt from the tax.

Social Service Tax

The general tax rate on purchases and leases of tangible personal property under the *Social Service Tax Act* is seven per cent. The tax also applies to certain services. Liquor products are taxed at 10 per cent and passenger vehicles are taxed at between seven and 10 per cent depending on the value of the vehicle. There are also fixed levies on purchases of lead-acid batteries and pneumatic vehicle tires to fund environmental programs, and on short-term rentals of passenger vehicles to assist with financing transportation projects undertaken by the BC Transportation Financing Authority. A portion of this tax is also collected on parking in the Greater Vancouver transit area on behalf of the Greater Vancouver Transportation Authority.

Real Property Tax

The province, local governments and certain regional boards all levy taxes on occupiers of real property. Independent, market-value assessments are calculated annually by the British Columbia Assessment Authority. Property is divided into nine classes under the *Assessment Act*, and three assessment rolls are created with slightly different tax bases. A provincial grant to owners of a primary residence in British Columbia provides relief from residential property tax.

British Columbia levies a province-wide school tax under the *School Act*. A single rate is set for each of the eight non-residential property classes, while residential school tax rates are different in each of the province's 59 school districts. A property tax is also levied in unincorporated areas through the *Taxation (Rural Area) Act*.

Municipal governments levy property taxes under the *Municipal Act* to fund about seventy per cent of their responsibilities. Rates vary by municipality and by property class. Regional districts, hospital districts and other minor taxing jurisdictions also levy property taxes.

Other Taxes

Hotel accommodation tax — the rate is eight per cent, of which 1.65 percentage points are dedicated to Tourism British Columbia, a Crown corporation that promotes development and growth of the provincial tourism industry. Municipalities, regional districts and other eligible entities may request that the provincial government levy an additional tax of up to two per cent on their behalf. Revenue from the additional tax must be used to fund tourism-related projects or to promote tourism. Additional hotel accommodation taxes are currently levied on behalf of the resort municipality of Whistler; the cities of Vancouver, Victoria, Richmond, Prince Rupert and North Vancouver; the districts of Oak Bay, Saanich and Chilliwack; and the towns of Smithers and Parksville/Qualicum Beach.

Fuel tax — rates are 11 cents per litre for clear gasoline and 11.5 cents per litre for clear diesel. Portions of this tax are dedicated to, or collected on behalf of, the following authorities:

- *BC Transportation Financing Authority* — 3.25 cents per litre are transferred to help finance major highway projects.
- *British Columbia Ferry Corporation* — 1.25 cents per litre of clear fuel tax are transferred to help fund the ferry system.
- *Greater Vancouver Transportation Authority (TransLink)* — five cents per litre of clear gasoline and diesel fuel tax collected in the Greater Vancouver transportation service area belong to the authority to help fund transit services in the Lower Mainland. The authority also receives an additional four cents per litre as a transit tax, formerly collected by the province on behalf of the Greater Vancouver Regional Transit Commission.
- *Victoria Regional Transit Commission* — an additional tax of 2.5 cents per litre is collected by the province on behalf of the commission to cover part of the local share of transit costs.

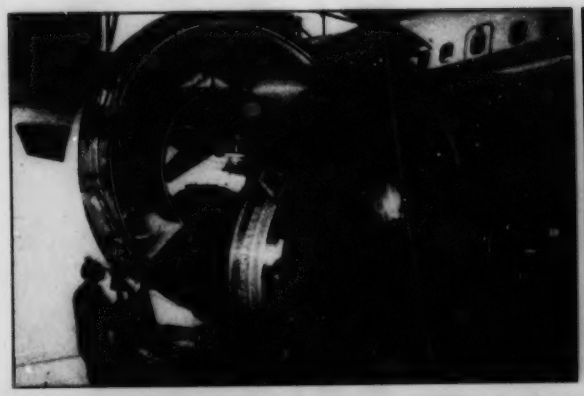
Tobacco tax — the rate is 11 cents per cigarette and 11 cents per gram of loose tobacco.

Property transfer tax — is imposed upon application to register a transfer of an interest in real property at a land title office at a rate of one per cent on the first $200,000 of fair market value transferred and two per cent on the balance.

Other provincial taxes, including the horse racing tax, insurance premium tax, real property tax, logging tax, mineral tax and mineral land tax, are described in Appendix Table A2.27.

For information on major tax changes announced up to June 30, 2001, see Appendix Table A2.29.

Chapter Three
Services Review



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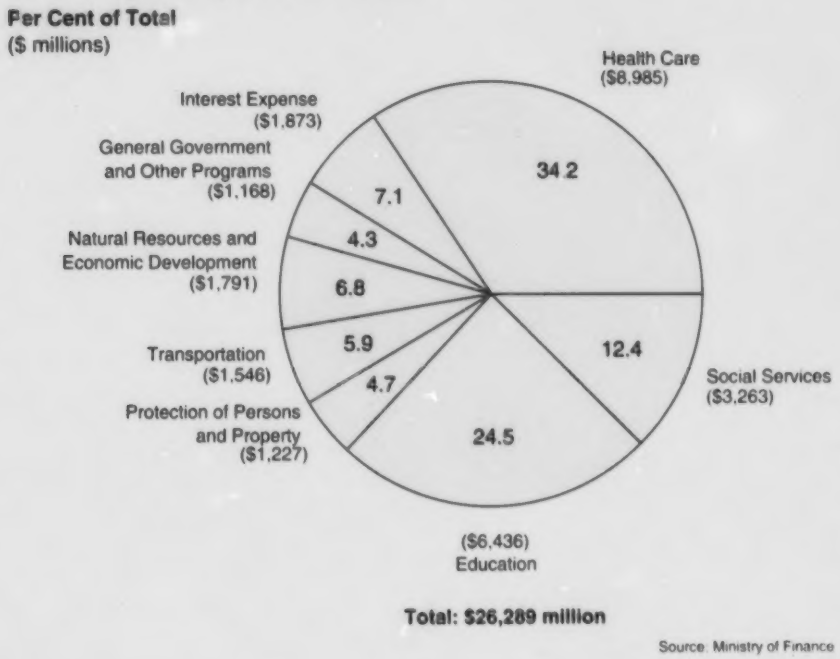
Chapter 3 Services Review

Introduction

Provincial government programs in British Columbia are delivered through ministries, Crown corporations, agencies, boards and commissions. This chapter describes the major programs and services delivered by these organizations and highlights some of the initiatives, activities and accomplishments of the 2000/01 fiscal year. Ministries covered in this chapter are as of March 2001. Since then, in June 2001, there was a major reorganization of government. Further information on government programs and services under the current organization structure is available through the government's website: www.gov.bc.ca.

Chart 3.1 below illustrates government operating expenditures by function for the 2000/01 fiscal year. Health, education and social services programs account for 71 per cent of total operating spending.

Chart 3.1 Summary Financial Statements Expense by Function, 2000/01



Source: Ministry of Finance

Health Programs

Ministry of Health and Ministry Responsible for Seniors

Health care is a top priority for the government and the people of British Columbia. British Columbia has an integrated health care system, based on regional delivery and self-regulating professional organizations. Although the province legislates and administers all aspects of the publicly funded health care system, the 52 regional health authorities are responsible for the delivery and management of health services in their communities.

Introduction

Provincial government programs in British Columbia are delivered through ministries, Crown corporations, agencies, boards and commissions. This chapter describes the major programs and services delivered by these organizations and highlights some of the initiatives, activities and accomplishments of the 2000/01 fiscal year. Ministries covered in this chapter are as of March 2001. Since then, in June 2001, there was a major reorganization of government. Further information on government programs and services under the current organization structure is available through the government's website: www.gov.bc.ca.

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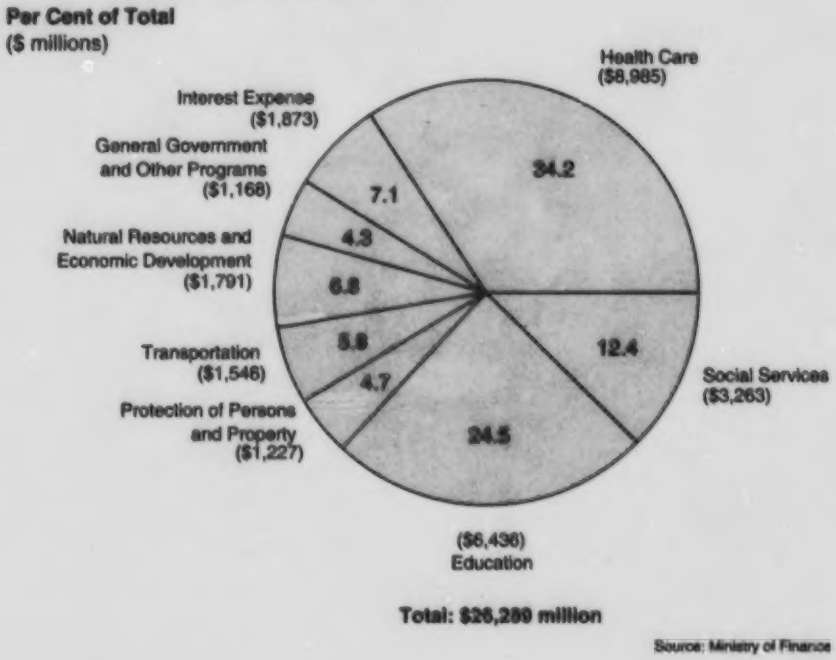

Source: Ministry of Finance

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Overall Health

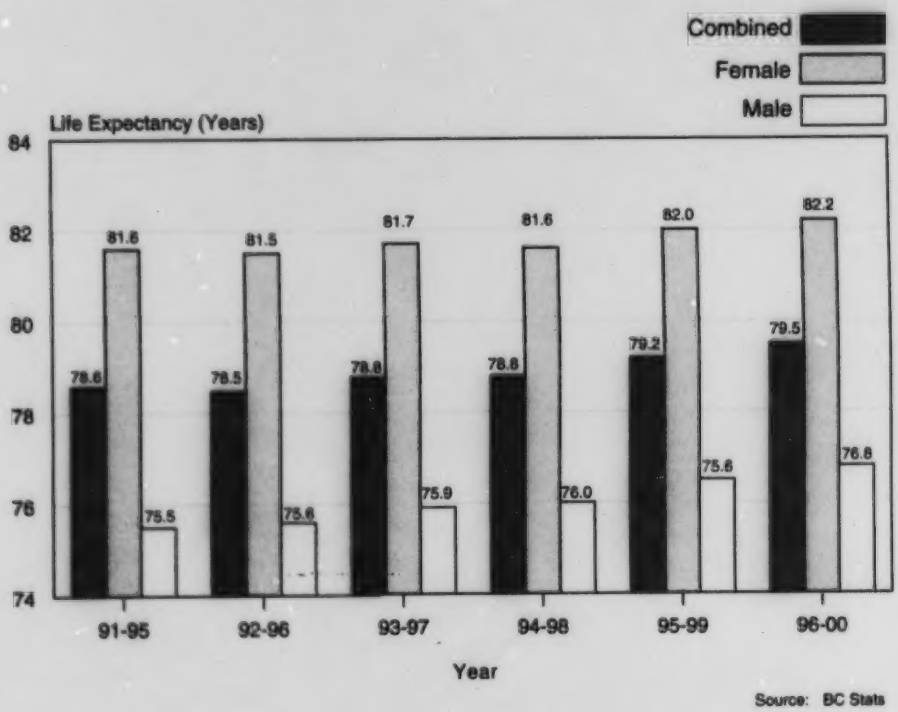
A major goal of British Columbia's health care system is to continue to improve the health status of its residents. Public health care expenditures are intended to support the long-term outcome of improved population health. However, a number of factors outside the health care system also influence this outcome, such as levels of income, education and lifestyle.

British Columbians are among the healthiest people in the world, and the level of health continues to improve, although there are disparities within the province. Two of the widely accepted measures of population health outcomes are life expectancy and infant mortality.

Life Expectancy

Overall life expectancy in British Columbia for 2000 has increased, reaching 79.5 years — 76.8 years for men and 82.2 years for women.

Chart 3.2 Life Expectancy in British Columbia 1991 – 2000

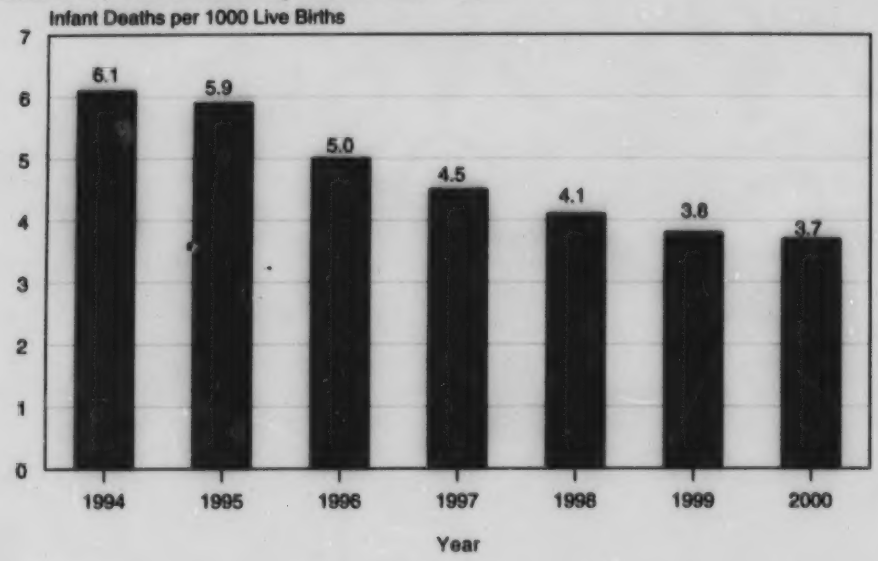


Source: BC Stats

Infant Mortality

The infant mortality rate in British Columbia reached a record low of 3.7 per 1,000 live births in 2000, an improvement over the previous year's level of 3.8. Since 1965, the infant mortality rate has decreased by more than 80 per cent. However, differences in infant mortality rates still persist among groups and communities in British Columbia. This is reflected in higher rates of infant mortality among aboriginal infants, and infants born in northern areas and parts of Vancouver.

Chart 3.3 Infant Mortality Rates 1994 – 2000



Source: BC Vital Statistics Agency

Major Health Care Program Areas

Acute Care

Hospitals and diagnostic and treatment centres located throughout the province deliver acute care services. Acute care generally refers to hospital services and includes tertiary services, but excludes extended care. Tertiary services require the highest level of care and specialized facilities and staff, and as a result are located in larger population centres. As of March 2001, there were approximately 8,500 acute care and 500 rehabilitation beds in British Columbia hospitals, providing an estimated 2.65 million acute/rehabilitation patient days per year.

Taking blood pressure.

(photo courtesy of the Ministry of Health)

Hospitalization rates and surgical rates provide an indication of the level of service used by British Columbians, although greater use of medical and hospital services does not necessarily translate to better population health.

Hospitalization Rates

Generally, rates of hospital use have decreased over the past five years, both in terms of cases and days per thousand population. Hospital Discharge Age-Standardized Rates measures the number of hospital cases and number of hospital days (both include acute care, rehabilitation care and surgical day care). Province-wide, hospital cases per thousand population have declined from 174.76 cases in 1995/96 to 164.27 in 1999/00. The drop in hospital days per thousand population continues; this trend has been under way for 30 years.

Surgical Rates

The number of surgeries per thousand population is rising. The estimated total number of surgical procedures in 2000/01 was 407,060, compared to the 402,230 surgical procedures performed during 1999/00. Of these 402,230 surgical procedures, 380,108 were elective surgeries (the patient is able to wait without damage to health) and the remaining 22,122 were emergency cases (the patient's health depends on immediate surgery).

Wait Times

Minimizing wait times for surgery, treatment and diagnostic procedures is important for protecting health and limiting patient pain and inconvenience. Further, wait times as a measure of service delivery quality have been a major focus of public attention. Emergency cases proceed without patients being placed on a wait list; therefore, only elective cases go on wait lists. The chart below shows the trends in both the numbers of surgeries performed during the period and the median waiting time, for 11 major elective surgery areas.

Table 3.1 Waiting Times for Elective Surgical Procedures in B.C.[1]

	Median Wait				Surgeries			
	Mar '98	Mar '99	Mar '00	Mar '01	April '97-Mar '98	April '98-Mar '99	April '99-Mar '00	April '00-Mar '01
	(weeks)				(number)			
Cardiac Surgery	16	11	9	12	1,634	1,566	1,374	1,334
Dental Surgery	4.4	5.1	7.3	6.7	5,402	5,064	5,830	6,376
Ear, Nose & Throat	4.1	5	6.1	6	14,997	13,168	14,127	14,662
General Surgery	3	3.6	3.4	3.4	36,100	32,646	36,990	42,285
Gynaecology	2.4	3	3.3	3.1	30,188	27,456	28,205	29,884
Neurosurgery	2.7	3.1	3.6	3.3	4,009	3,478	4,247	4,522
Ophthalmology	6.1	8.1	8.9	10.6	26,779	22,193	26,087	30,432
Orthopedics	5.4	7.3	6.9	7	27,329	25,423	27,049	29,111
Plastic Surgery	6.5	7.6	5.4	5.4	8,344	7,776	8,527	8,778
Urology	2.9	3.1	4.1	4.1	24,382	22,143	23,199	24,449
Vascular Surgery	1.7	1.9	1.4	2.1	3,366	2,977	3,958	4,027

[1] Median wait is based on procedures performed over the previous 6 months. Data is taken from the Surgical Wait List Registry. The data includes booked surgeries for hospitals participating in the Registry. It does not include emergency surgeries since these are not booked.

The median waiting time as of March 2001 decreased or remained at the same level for most surgeries compared to the previous year. However, compared to March 1998, most have increased. Many factors account for wait time increases, including availability of staff or operating time, increases in emergency services and the growing over-65 population.

During the year the Surgical Wait List Registry and Web Site was developed to inform patients and doctors of the wait times for specialists across the province. The registry encompasses 20 categories of surgeries and treatments like cancer services, and covers 47 of British Columbia's largest hospitals and 95 per cent of all scheduled surgeries in the province.

Other Initiatives:

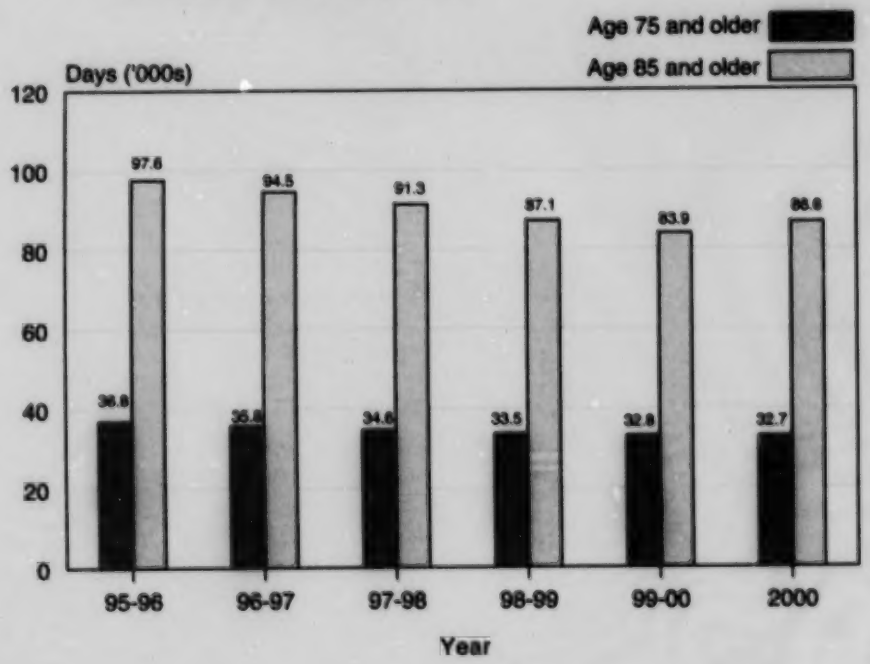
Government provided $141 million to help hospitals acquire new high-tech medical and diagnostic equipment, in 2000/01. Thirty hospital emergency departments have connected to the PharmaNet System, providing them access to patient profiles to assist in diagnosis and treatment.

Continuing Care

Residential Care

Continuing care residential services provide residential care and support for physically and mentally infirm persons, most of whom are elderly and can no longer function independently due to chronic health-related disabilities.

Chart 3.4 Residential Care Days per 1,000 Population Age 75+ and 85+, British Columbia 1995/96 – 2000



Note: Data for 2000 is for a twelve-month period for comparability.

Source: Ministry of Health; BC Stats

Although residential care utilization has remained nearly constant over the past six years, increases in the target population have resulted in fewer days per capita, an 11 per cent decrease in residential days of care per thousand population of people aged 75 and older (including the 85 years-plus cohort). In the past six years, the population aged 75 and older has grown at more than twice the rate for the general population. Clients with lighter care needs are now maintained at home instead of being admitted to a residential care facility.

Direct Care and Continuing Care Community Support Services

Direct care offers health care services to people in their homes including nursing care and community rehabilitation therapy, such as physiotherapy and occupational therapy. Admissions to direct care programs have increased overall by 7,552 or 12 per cent over the past six years. Continuing care community support services provides home support, adult day care and meals-on-wheels.

Adult Mental Health

Adult mental health programs provide assessment, treatment and community support services for adults with serious and persistent mental illness. In-patient services include counselling, medication management, rehabilitation, housing and family support services. Forensic psychiatric services provide psychiatric assessment and treatment services to individuals with apparent mental disorders who are in conflict with the law, generally in response to a court order.

The most common reasons for admission to hospital with a diagnosis related to mental health are severe mental health disorders. While admission may be necessary for acute treatment, most patients can be well maintained in the community with regular follow-up and support services. Lower rates of re-admission to hospital soon after discharge are considered to be an indicator of improving health care quality.

Table 3.2 Mental Health Discharges and Re-Admissions to Hospitals — 1999/00

Total discharges	20,443
Re-admission within 30 days of discharge	15.2%
Re-admission between 30 and 60 days of discharge	5.7%
Re-admission between 60 and 90 days of discharge	3.7%
Total re-admission within 90 days of discharge	24.6%

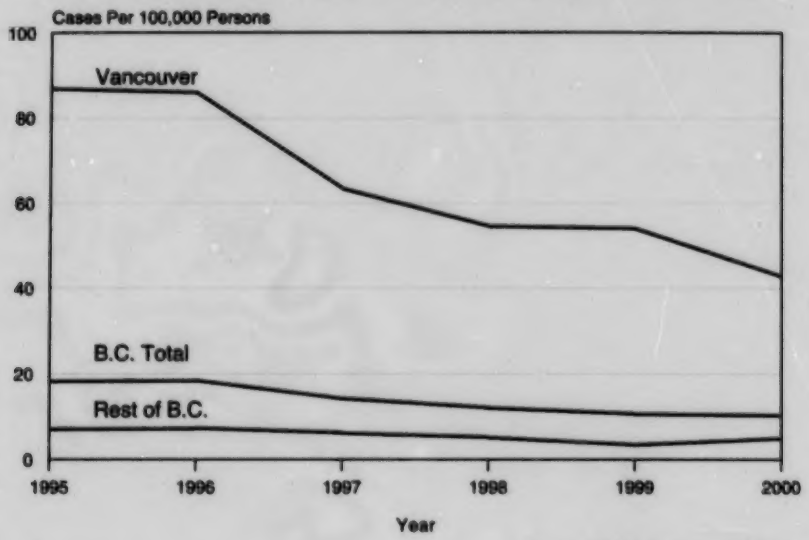
Prevention and Promotion

Prevention and promotion initiatives promote health and well-being while reducing the risk and impact of illness, injury and disability. Increasing access to health information to assist British Columbians in making sound health-care decisions is also a key activity.

HIV/AIDS Prevalence Rates

Overall, new HIV infection cases have continued to decline, from 10.6 new cases per 100,000 population in 1999 to 10.3 new cases in 2000. Vancouver's rate of infection is four times the provincial average and it declined from 54 to 42.9 during the same period, while the rest of the province increased from 3.4 to 4.9. In the past year the rate of infections among injection drug users have declined in part due to continued harm reduction measures, while the rates among men who have sex with men increased due to an increase in high-risk behaviours. In addition to the ongoing harm reduction strategies targeting high-risk groups, new initiatives are being implemented to focus on the particularly high-risk groups.

Chart 3.5 Persons Testing Newly Positive for HIV by Health Jurisdiction, Cases per 100,000 Population, British Columbia 1995–2000



Source: B.C. Centre for Disease Control; BC Stats

Screening Mammography Program

The Screening Mammography Program has expanded each year since it began in 1988. It facilitates early detection and treatment of breast cancer. This program detected 3.8 cancers per 1,000 screens performed. In 1998 and 1999, 48 per cent of the target group of women aged 50–74 were screened. The goal of the program is a participation rate of 70 per cent of women in the target age group.

Cervical Cancer Screening Program

British Columbia was the first jurisdiction in the world to establish an organized pap smear program to identify pre-cancerous and cancerous changes in the cervix. Over the past 30 years, this program has been effective in reducing the incidence of cancer of the cervix by 85 per cent. In the 30-month period between July 1997 and December 1999, the participation rate among British Columbia women in the target population was 75 per cent. The goal of the program is a participation rate of 100 per cent of the target population, women aged 20–69.

Tobacco Use

Tobacco use is the single most preventable cause of illness and death in British Columbia and in the rest of the industrialized world. Every year tobacco use is estimated to cause more than 5,500 deaths in British Columbia and the cost to the health care system and society of treating tobacco-related illness is estimated to be over $1 billion annually. British Columbia has a comprehensive tobacco control program that integrates public education and a range of prevention, protection and treatment programs, with a strong focus on youth prevention.

British Columbia has the lowest smoking rate in the country. Only 20 per cent of British Columbians age 15 and over were smokers in 2000, compared with close to 27 per cent in 1994/95. Among youth smokers, the decline is much more dramatic. In 1994/95, close to 29 per cent of British Columbians aged 15–19 were smokers, compared to only 18 per cent of in 2000.

Immunization for Children

The immunization programs for children are among the most cost-effective of all health services. All infants and pre-school children now have access to immunization to protect them from nine serious diseases, such as diphtheria, polio and hemophilius influenza type B. Effective March 2001, an infant hepatitis B series was added. In 2000,

the majority of health authorities reported more than 89 per cent of the province's children had been immunized by their second birthday, an equivalent rate to other provinces in Canada. Government is working toward achieving the target of 95 per cent immunization coverage rate by the age of two years.

Immunization for Seniors

In 2000/01, a comprehensive campaign was begun to increase immunization rates and to reduce pressures on hospital emergency rooms during the influenza season. Vaccination for influenza A and B virus is offered to select high-risk groups each fall. When administered to persons residing in care facilities, the vaccine has been shown to be 30 to 40 per cent effective in preventing illness, 50 to 60 per cent effective in preventing hospitalization and pneumonia, and up to 85 per cent effective in preventing death. In addition, the publicly funded pneumococcal immunization program, begun in 1998 to protect people 65 and older from pneumonia, continued, with eligibility increased to include high-risk people under 65. Immunization rates for seniors and health care workers continued to increase in 2000/01 compared to previous years.

Table 3.3 Influenza Immunization Rates — 2000/01

Residents of care facilities	89%
Persons 65 and over living in the community	71%
Health care workers	57%
Pneumococcal immunization: Persons 65 and over	40%

B.C. Health Guide Program

The B.C. Health Guide program was implemented in Spring 2001. All households were provided with the B.C. Health Guide hand book containing information on over 190 common health concerns, home treatment options and prevention, and advice on when to seek help from a health professional. B.C. Health Guide Online provides practical health information and advice on over 2,500 health topics, tests and procedures. A 24-hour toll-free B.C. Health Guide NurseLine was also implemented as part of the program, offering confidential health information and decision support on appropriate care, treatment options and health services.

Medical Services Plan

The Medical Service Plan (MSP) provides British Columbians comprehensive medical coverage as well as supplementary services, such as chiropractors, optometrists and physiotherapists. Under the *Medicare Protection Act*, 3.9 million British Columbia residents were enrolled as beneficiaries with the publicly funded insurance plan and were required to pay premiums in 2000/01. However, 1.1 million lower income beneficiaries were subsidized under premium assistance programs. MSP processes about 73 million provider claims annually from 7,500 medical practitioners and some 4,000 other health care practitioners.

Table 3.4 MSP Expenditures and Premium Revenue — 2000/01

	($ billions)
Fees for service	1.6
Alternative payment programs	0.2
Physicians benefits	0.1
Subtotal fees and benefits to physicians	1.9
Fees to supplementary benefit practitioners	0.1
Total MSP expenditures	2.0
MSP premiums paid by subscribers	0.9

Pharmacare Program

The Pharmacare program subsidizes a variety of prescription drugs and designated medical supplies. In 2000/01, expenditures rose at a much faster rate than the number of beneficiaries. Under Pharmacare there were nine different plans geared towards different target groups. Most British Columbians were eligible for compensation for 70 per cent of expenditures in excess of $800 annually. Personal costs were limited to a maximum of $2,000 per family beyond which Pharmacare covered 100 per cent of costs. For families receiving MSP premium assistance, Pharmacare covered 100 per cent of costs in excess of $600 annually and British Columbia's seniors paid pharmacy dispensing fees to a maximum of $200 per calendar year.

Table 3.5 Pharmacare Beneficiaries and Expenditures

	Beneficiaries			Expenditures		
	1999/00	2000/01	Change	1999/00	2000/01	Change
			(per cent)	— ($ millions) —		(per cent)
Plans A to G	851,564	883,178	3.7	518	604	16.6
Home Oxygen Program	7,579	6,749	−11.0	14	15	6.2
Centre for Excellence in HIV/AIDS	3,432	2,793	−18.6	30	31	2.5
Total for all Plans	862,575*	892,720*	3.5	562	650	15.6

* The same beneficiary could be in more than one category, therefore the total of all plans is not a unique count of beneficiaries.

Emergency Health Services Commission

The Emergency Health Services Commission oversees the BC Ambulance Service (BCAS), providing ambulance service and pre-hospital care throughout the province. During 2000/01, 1,150 full-time and 2,200 part-time paramedics and dispatchers worked from 417 ambulances and 28 support vehicles based in 194 ambulance stations and three ground ambulance dispatch centres. BCAS is one of the largest such services in North America. In 2000/01, there were 425,883 ground ambulance trips and 7,305 air ambulance trips, a 6 per cent and 15 per cent increase respectively over the previous year. Overall, response times for the most urgent cases increased slightly in 2000/01 over 1999/00 (average of 9.2 to 9.4 minutes) in the Greater Vancouver Regional District. BCAS has set a target of under eight minutes for responding to the most urgent cases in the urban/metropolitan areas.

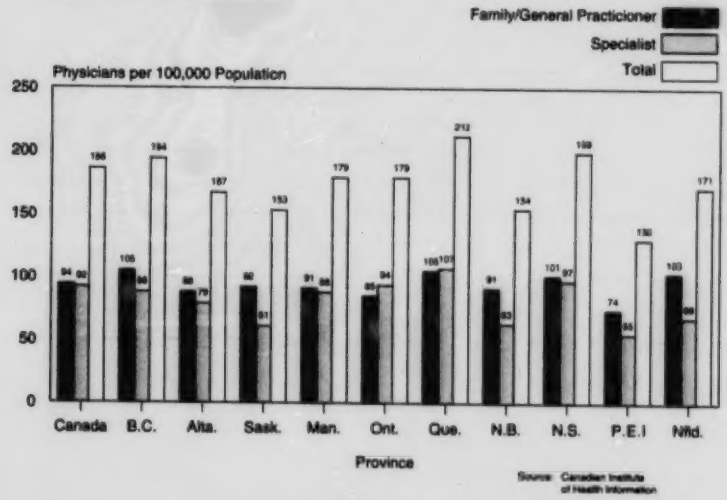
Human Resources — Health Professionals

An adequate supply of qualified professionals, including doctors and nurses, is essential to the health care system.

Physicians

Overall British Columbia is well supplied with physicians in comparison with the rest of Canada. In 1999, British Columbia had Canada's highest ratio of number of general practitioners to population, slightly below the national average ratio for specialists and the third highest ratio for physicians. However, the province-wide ratios do not show variations from one part of the province to another, or one speciality to another. In its efforts to address the shortages of physicians in remote and rural areas, the provincial government and the University of British Columbia expanded the postgraduate residency program to recruit medical specialists in remote and rural areas. The Health Match B.C. Program facilitated the hiring of 99 doctors in rural and remote communities during the year.

Chart 3.6 Physicians per 100,000 Population by Physician Type and Province, 1999

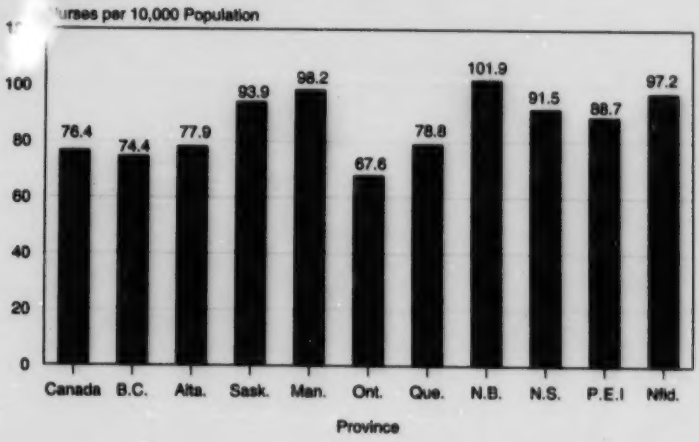


Nurses

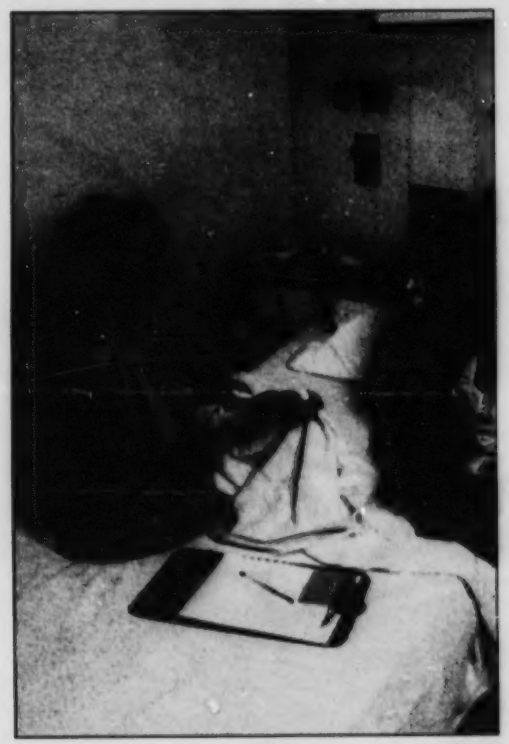
The nurses to population ratio is lower in British Columbia than in most other provinces. It is difficult to draw direct comparisons between provinces because each has its own unique health care system and way of utilizing nurses and other care providers. During 2000/01, British Columbia took various measures to increase the supply of nurses, including:

- 400 new nursing education seats, 50 refresher seats and refresher programs for foreign trained nurses in post-secondary institutions;
- Provincial Nominee Program to help recruit and retain foreign-trained nurses by facilitating the immigration process; 65 nurses were identified as potential candidates; and
- Health Match BC Program helped to hire 65 registered nurses in rural and urban centres.

Chart 3.7 Registered Nurses and Registered Psychiatric Nurses per 10,000 Population by Province, 1999



Source: Canadian Institute of Health Information; College of Registered Psychiatric Nurses of B.C.



A nurse advises her patient.

(photo courtesy of Ministry of Health)

Health Care Expenditures

Health care spending per person in British Columbia from both governmental and non-governmental sources is summarized below.

Table 3.6 Health Care Spending in British Columbia (Dollars per Person)

	1998/99	1999/00	Change
	$	$	(per cent)
Ministry of Health	1,843	1,973	7.0
Other British Columbia ministries	114	77	-32.7
Other public sector	139	146	4.7
Private sector (out of pocket expenses, insurance plans, etc.)	825	830	0.6
Total	2,921	3,025	3.6

The British Columbia government's per person spending on health as a percentage of the Canadian average, rose from below the Canadian average at 96.8 per cent in 1987 to above the national average at 111.9 per cent in 1996. Since then it has declined to 105.1 per cent by 2000 as other provinces had larger increases in health care spending.

Vital Statistics Agency

The Vital Statistics Agency (Vital Statistics) is responsible for the registration and certification of all vital events in the lives of British Columbians such as birth, marriage and death, and maintains and reports these statistics. Vital Statistics also reports on population health status. It publishes a wide range of data on vital events and health indicators in its annual report and other publications. These are available on the government web site http://www.vs.gov.bc.ca/index.html

Social Services

Ministry of Social Development and Economic Security

The provincial government, through the Ministry of Social Development and Economic Security provided financial assistance to individuals and families whose resources were inadequate to meet their basic needs and who had exhausted all other avenues of support. In addition, it provided services and programs to help recipients find and keep jobs. BC Benefits is the umbrella term for the comprehensive range of income support programs and other benefits and services including programs to help recipients find employment. Recipients of income assistance and youth allowance under BC Benefits, with some exceptions, must either be actively searching for employment or be participating in approved, employment-related programs.

Income Support Programs

These programs provide financial assistance to individuals and families whose resources are inadequate to meet their basic needs and who have exhausted all other avenues of support. Major income support programs under BC Benefits included:

- Income Assistance (Welfare to Work Program) — provides income support, job search assistance, and work preparation, experience and training to adults ages 25 to 65.
- Disability Benefits — provides income support, certain medical equipment and health services to eligible persons with disabilities ages 18 to 64.
- Youth Works — provides income support, training and job search assistance for youth ages 19 to 24.
- Health Care and Dental Services — provides eligible persons with medical and dental benefits. This includes the Healthy Kids program providing dental and optical benefits to children of Income Assistance and low income families.
- Seniors Supplement — provides a guaranteed minimum income for seniors.
- Bus Pass Program — provides subsidized bus passes to eligible seniors and persons with disabilities.

The total caseload declined two per cent, or 3,151 cases, from March 2000 to March 2001, while the annual average caseload declined by 3,706 cases or 2.3 per cent. Disability Benefits continued to experience significant year-over-year caseload increases.

Table 3.7 BC Benefits Average Caseload by Program

All Cases[1] by Program	Average Caseload 1999/00	Average Caseload 2000/01	Per cent Change
			(per cent)
Age 19-24	19,615	18,749	−4.4
Age 25-59	94,727	87,935	−7.2
Disability benefits	34,838	39,093	12.2[2]
Under age 19	1,497	1,365	−8.8
Age 60 to 64	4,501	4,416	−1.8
Seniors benefits	1,811	1,652	−8.8
Children in the home of relative	4,308	4,381	1.7
Total cases	161,297	157,591	−2.3

[1] A case is a family unit, couple or single person receiving BC benefits.
[2] This increase is due to continuation of the trend started by provisions in the *Disability Benefits Program Act* of 1996.

As of March 2001, 252,921 people or 6.2 per cent of the British Columbia population were supported through BC Benefits. The proportion of the population receiving income support has been declining over the last six years, down from 6.5 per cent in March 2000 and from 9.6 per cent in March 1996.

Table 3.8 BC Benefits Beneficiaries at March 2001

	March 1996	March 2000	March 2001	Per cent Change March 1996 to March 2001	Per cent Change March 2000 to March 2001
Total recipients[1]	369,945	262,412	252,921	−31.6%	−3.6%
Total children	130,187	84,860	79,630	−38.8%	−6.2%

[1] Recipients are all individuals that are in receipt of benefits under BC benefits and include the applicant, spouse, children and other dependents.

In March 2001, there were 5,230 fewer children dependent on Income Assistance than March 2000, a decline of 6.2 per cent, and 38.8 per cent fewer children compared to March 1996.

Labour Market Programs

The focus of employment and training programs is to help people find and keep a job. An estimated total of 389,315 clients were served through these programs in fiscal 2000/01. These clients (BC Benefits recipients, workers and employers) may have been enrolled in more than one of the various ministry labour market programs and therefore, counted more than once. Major labour market programs included:

- Workplace Based Training — a one-year work opportunity that includes formal and on-the-job training.
- Job Start — the first work experience for those age 17 to 24 to develop skills and habits needed for long term employment.
- Vocational Rehabilitation Services — training and education for people with permanent disabilities to prepare for, find and maintain employment.
- Supports to Employment — labour market attachment activities for recipients of disability benefits.
- Work Connections and Employability Skills — services to assist those BC Benefits recipients who face barriers to employment.
- Jobs Partnership Pilot Program — for employment-ready, eligible applicants for BC Benefits and BC Benefits recipients to find and keep jobs.

The Jobs Partnership Pilot program (JPP) was introduced in January 2000, mainly to provide people who have applied and are eligible for BC Benefits with quick access to the labour market. This program is a public/private partnership between the government and agencies representing the British Columbia Chamber of Commerce (JobWaveBC) and the Council of Tourism Associations of British Columbia (Destinations Job Link). The program focuses on job placement and retention, not job training.

For the first year of operation, the Jobs Partnership Program resulted in:

- 37,364 income assistance clients referred to the program (target — 24,000).
- 6,190 income assistance clients placed in the program (target — 6,000).
- 4,079 clients (of the 6,190 placed) confirmed as no longer on income assistance.

Disability Benefits

The government provides income support and other benefits to assist persons with disabilities, enabling them to participate more fully in community life and, in some cases, move into the job market. The *Disability Benefits Program Act*, introduced in 1996, provides the broadest legal definition of disability in Canada and recognizes that disability status is lifelong. Participants who leave income support are no longer asked to re-qualify for disability status if they return. As a result of these changes, the Disability Benefits caseload increased by nearly 76 per cent to 41,391 between March 1996 and March 2001.

Child Care Services

The government funds and delivers a variety of services designed to reduce the cost of child care to parents and help communities develop quality affordable and accessible child care facilities. Programs included:

- child care subsidy (income tested);
- child care BC funding assistance program;
- compensation contribution program;
- facilities, equipment and expansion grants;
- emergency, repair, replacement and relocation grants;
- infant/toddler incentive grant program; and
- child care resource and referral services.

Table 3.9 Child Care in British Columbia, 1992/93 to 2000/01

Program	1992/93	2000/01	Increase	Per cent Change
Licensed child care spaces	42,757	72,979	30,222	71%
Under age 3 spaces (licensed group care)	1,270	3,632	2,362	186%
Children receiving child care subsidy	16,862	39,000	22,138	131%
Children participating in out-of-school programs funding	NA	25,650	NA	NA

Housing

The Housing Development Division undertakes initiatives in the areas of affordable housing, consumer protection for homebuyers and building standards for all sectors of the construction industry.

British Columbia Housing Management Commission

The British Columbia Housing Management Commission (BC Housing) was created to fulfil the government's commitment to affordable housing through the development, administration and management of social housing across the province.

In 2000/01, BC Housing's activities included:

- direct management of approximately 7,800 units of public housing;
- administration of operating agreements and management of the flow of subsidies to non-profit housing providers and housing co-operatives across the province who, in turn, are responsible for managing more than 26,600 units of social housing built under a mix of federal-provincial and wholly provincial programs;
- working with other ministries to provide management support for group homes and special needs residences, and coordination of the development of new group homes and other special needs housing facilities on behalf of other provincial ministries;

- delivery of targeted rent supplement programs and other housing assistance to families and individuals living in housing in the private rental market. This includes the Shelter Aid For Elderly Renters program (SAFER) for seniors and the Supported Independent Living program (SIL) for people with severe and persistent mental illness;
- maintenance of an applicant registry for public housing and participating non-profit societies and allocation of housing according to applicant need and the availability of suitable accommodation;
- working with non-profit societies, housing co-operatives, the private sector, provincial ministries, and other levels of government in creating a broad range of housing options; and
- a new housing registry — a comprehensive information service for housing providers and a single point of contact for applicants in the Lower Mainland is expected to be fully operational later in 2001.

Homes BC Program

The HOMES BC program is the province's comprehensive social housing program creating a broad range of new housing options designed to respond to local housing needs.

Table 3.10 BC Housing Summary, 1998/99 to 2000/01

	1998-99	1999-00	2000-01
HOMES BC Units Completed[1]	1,060	739	1,019
Applicants for affordable housing on BC Housing's registry	10,526	9,378	8,886
Housing inquiries received (phone and storefront visits annually)	74,896	71,640	71,184
New applications received (monthly)	429	341	357
Applicants housed during the year[2]	991	781	646
Priority placement applications received	194	154	210
Persons housed — BC Housing Health Services program	468	586	700
Persons assisted — Supported Independent Living (SIL)	954	1,020	1,275
Renters assisted — Shelter Aid for Elderly Renters (SAFER)	12,481	12,376	12,154

[1] Homes BC units completed are all in the non-profit sector, with their own management, wait list and placement processes.
[2] Applicants housed during the year statistics pertains only to placements into the units directly managed by BC Housing and excludes units managed by non-profit sector.

Services for Children, Adults and Families

The provincial government promotes and protects the healthy development of children and youth through a variety of services. In addition, it provides service and support to adults with developmental disabilities to help them achieve maximum independence and participation in the community, and to adults who misuse alcohol or other drugs. The broad program areas are:

- children and families,
- child protection,
- children with special needs,
- youth,
- adoption services,
- youth and adult addictions,
- adults with developmental disabilities and their families, and
- aboriginal relations and services.

Prevention, Promotion and Early Support

Early childhood is the most critical time for investing in children's well being. The prevention, promotion and early support strategy (PPES) focuses on the development of infants, children, youth and their families in order to prevent further problems that would subsequently require more intensive and expensive interventions.

PPES included programs such as: public health nursing; speech, hearing, community nutrition and dental; prenatal and pregnancy services; parenting; fetal alcohol syndrome prevention and early support; family support; and community schools, school meals, school based support services (rehab resources) and special education.

Table 3.11 Prevention, Promotion and Early Support — Population Outcomes

	1995	1996	1997	1998	1999	2000
Infant mortality (under one year old) per 10,000 live births	58.9	49.6	45.5	40.6	37.9	36.8
Child mortality (0 -18 Years) per 10,000 age cohort population	5.2	4.7	4.6	3.7	3.7	3.6
Sudden infant death syndrome (SIDS) per 10,000 live births	10.7	5.7	6.1	3.5	3.8	2.5
Infant drug withdrawal rates per 100,000 live births	4	9	7	12	2	2

Source: Vital Statistics Agency, 2001 (unpublished tables).

Child Protection and Guardianship

The objective of child protection and guardianship programs is to prevent abuse, neglect and harm to children and youth. Approximately 89 per cent of children and youth receiving child protection services were supported in their home, allowing them to remain at home. The remaining 11 per cent were admitted to the government's care. In 2000/01, the monthly average of children receiving protective family service was 18,500.

The government has a parental duty to act in the best interest of children in its care and to ensure that their needs are adequately met; therefore, guardianship services are provided when children are taken into its care. Programs offered included: foster family care home program, foster family care education, independent living for children in care, and non-residential services for child in care. The government looked after 95 per cent of all children in its care. Delegated aboriginal agencies looked after approximately five per cent. In March 2001, excluding children in the care of aboriginal agencies, there were 9,956 children in care, out of which 6,153 were in foster homes.

Table 3.12 Child Protection and Guardianship Activity Levels

	1997/98	1998/99	1999/00	2000/01
Reports of abuse or neglect received by social workers[1]	31,378	33,036	34,700	34,442
Investigations conducted	23,425	24,136	24,321	22,240
Removal of children	4,239	4,144	4,112	4,047
Supervision order without removal	NA	369[2]	732	827
Children receiving protective family service (monthly average)	NA	17,000	18,000	18,500
Total children in care (monthly average)	8,982	9,942	10,052	10,247

[1] Social workers assess the reports to determine if an investigation is required (investigations are undertaken for the majority of complaints).
[2] Legislation was enacted part way through the year.
Source: Ministry of Children and Family Development.

Children with Special Needs

Approximately 14,500 children, over one per cent of all children in the province, were served by programs targeting children with special needs. Programs included: respite/relief services, associate family program, support to families with special needs children, nursing support services, At Home Program, behavioural support for children with autism, early intensive behavioural intervention, school aged therapy program, infant development program, B.C. hearing aid program, community brain injury program for children and youth, supported child care, special needs agreements and residential services. Access to these programs was based on eligibility criteria specific to each program.

Table 3.13 Number of Children Receiving Special Needs Services in 2000/01

Selected Special Needs Programs	Number of Children
Behavioural support for children with autism	600
Early intervention programs	7,000
School-aged therapy program	3,700
Nursing support services	1,000

Source: Data Services Branch (MCFD)

Table 3.14 Number of Children Receiving Family Support Services in 2000/01

Selected Family Support Programs	Number of Children
Respite services	1,400
Child/youth care workers	1,200
Homemaker/home support workers	400
Parent support service	900
Professional support services	400

Source: Data Services Branch (MCFD)

Mental Health and Youth Services

Assessment and treatment are provided for children and youth who suffer from mental illness or behaviour disorders, or who are survivors of abuse and trauma. Programs included suicide prevention, at risk minors services, services for sexually exploited youth, youth court services, and supported independent living program. Child and youth suicides, and teen pregnancies and birth rates have declined substantially over the last five years.

Table 3.15 Child & Youth Suicides and Teen Pregnancy Rate

	1995	1996	1997	1998	1999	2000
Child and youth suicides:						
(per 100,000)						
10 — 14 Years	2.38	1.16	3.07	0.77	0.77	1.91
15 — 18 Years	9.26	5.91	9.07	7.07	7.00	6.46
Teen pregnancy rate:						
(per 1,000)						
15 — 19 Years	52.20	48.60	44.20	42.90	39.90	N/A
Teen birth rate:						
(per 1,000)						
15 — 18 Years	16.26	13.80	12.94	11.87	11.31	10.41

Source: Vital Statistics Agency (unpublished), May 3, 2001 and April 25, 2001.

Youth Justice Programs

Youth justice programs provide resources to youth sentenced to custody or youth remanded to custody pending trial and/or sentencing. Youth custody centres were provided for children aged 12 to 17, and in addition, a broad range of community-based alternatives to custody were offered, such as the youth justice residential programs.

Adoption Services

The province provides adoption services for children in care of the government and children whose birth parents are planning adoption for them. In 2000/01, 150 children were placed for adoption by the government.

Youth and Adult Addictions

A wide range of substance misuse services for youth and adults are provided. Programs included: outpatient services, withdrawal management, residential treatment, intensive non-residential programs, supportive recovery services, youth alcohol and drug service, remediation for impaired drivers, problem gambling, fetal alcohol syndrome, and school-based prevention program. Specific addiction services were made available to aboriginal people.

Table 3.16 Total Number of Addiction Screenings & Admissions

	1999/00	2000/01
Total screenings	30,763	28,180
Total admissions	29,511	27,298

Source: Ministry of Children and Family Development

Community Living Services for Adults

Community living services for adults provide community-based residential care, and training and support services for adults with developmental disabilities. Services were offered in two main areas: training and support, and residential services. Training and support programs included: supported work, self help skills, professional support, and home support. Residential services included: community residences, semi-independent living, respite and relief services.

Table 3.17 Community Living and Residential Services for Adults with Developmental Disabilities

	1996/97	1997/98	1998/99	1999/00	2000/01
Average monthly cases served	7,138	7,558	8,073	8,388	8,614
Average capacity (beds) of residential services (includes respite beds)	N/A	N/A	6,208	6,435	6,690

Source: Ministry of Children and Family Development

Aboriginal Relations and Services

The province encourages and supports aboriginal communities to develop and deliver child welfare services to their members through agencies generally referred to as First Nations Children and Family Services Agencies. First Nations Children and Family Services Agencies provided services in 109 aboriginal communities. Even though aboriginal children account for approximately eight per cent of the general population of children in British Columbia, the aboriginal children in care as of March 2001 was over 38 per cent of the total number of children in care.

Table 3.18 Children in Care and Aboriginal Children in Care

	Mar 96	Mar 97	Mar 98	Mar 99	Mar 00	Mar 01
Total number of children in care	7,278	8,232	9,484	10,159	9,987	10,474
Aboriginal children in care	2,383	2,514	2,983	3,307	3,542	4,052

Note: Includes children in care who are delegated to aboriginal agencies.
Source: Ministry of Children and Family Development

Education

Ministry of Education

Education is a key priority for the government and the people of British Columbia. Improved educational attainment increases job opportunities, earning potential, overall economic growth and quality of life. The Ministry of Education is responsible for the kindergarten to grade 12 system, which serves approximately 610,000 students in public schools, approximately 60,000 independent school students and over 4,000 home schooled children. Locally elected school boards and independent schools deliver educational services to students.

The ministry's major roles include setting standards for student learning and establishing the framework by which government funds are distributed to support the education system. The ministry holds itself, school boards and independent schools to which authority is devolved, accountable for results by monitoring, reporting and auditing the extent to which key goals are being achieved.

Public Schools

The public school system is a free, universal, secular system for all grades from kindergarten to grade 12. Education is offered through public schools, home study or distance education, and in correctional institutions. Children must enrol in an educational program once they reach the age of 5, however, a parent may defer the enrolment of their child for one year. Attendance is compulsory until 16 years of age. In British Columbia's 1,800 public schools, there were over 610,000 students during the 2000/01 school year. Public schools have the primary responsibility for their students' intellectual development and a shared responsibility with families and communities for students' human, social, and career development.

Table 3.19a Public School Enrolment, 1990/91 to 2000/01

School Year	Elementary	Secondary	Total	Year Over Year Change
				(per cent)
1990/91	323,272	196,686	519,958	1.4
1991/92	336,056	203,244	539,300	3.7
1992/93	342,129	212,461	554,590	2.8
1993/94	347,524	221,144	568,668	2.5
1994/95	353,760	229,021	582,781	2.5
1995/96	357,296	237,477	594,773	2.1
1996/97	359,647	247,997	607,644	2.2
1997/98	359,908	256,072	615,980	1.4
1998/99	355,320	259,138	614,458	−0.2
1999/00	355,101	258,506	613,607	−0.1
2000/01	352,426	258,425	610,851	−0.4

Source: Ministry of Education

Table 3.19b Number of Public Schools in British Columbia 1990/91 to 2000/01

School Year	Elementary	Secondary	Other*	Total	Year over Year Change
					(per cent)
1990/91	1,143	317	156	1,616	1.7
1991/92	1,155	327	148	1,630	0.9
1992/93	1,167	331	147	1,645	0.9
1993/94	1,181	343	139	1,663	1.1
1994/95	1,181	42	151	1,674	0.7
1995/96	1,188	362	147	1,697	1.4
1996/97	1,201	337	195	1,733	2.1
1997/98	1,199	337	201	1,737	0.2
1998/99	1,195	349	232	1,776	2.2
1999/00	1,199	369	232	1,800	1.4
2000/01	1,198	352	246	1,796	−0.2

* "Other" in this table refers to schools that enrol a combination of grades. They include middle schools, distance education schools, and youth custody/residential attendance centres.
Source: Ministry of Education

Under the *School Act*, the public school system is governed by 59 school boards and the Conseil Scolaire Francophone de la Colombie-Britannique (CSF). The CSF provides educational programs in French to francophone students.

In 2000/01, capital funding was allocated to create the equivalent of 21,325 new student spaces in school districts with growing enrolment, and to reduce the number of portable classrooms by approximately 400.

Over the last three years, total student enrolment has begun to decline. Enrolments in elementary schools are projected to decline over the next 10 years, followed by declines in secondary enrolment. While enrolments in rural regions of the province are declining, about one quarter of school districts, primarily in the urban Lower Mainland, are projected to experience enrolment growth.

Independent Schools

Independent schools are governed by the *Independent School Act* and provide educational alternatives to public schools from kindergarten to grade 12. The Inspector of Independent Schools, responsible to the Minister of Education for the administration of the act, ensures that independent schools operate in compliance with legislation and issues operating grants to qualifying independent schools. Requirements for provincial funding include employment of British Columbia certified teachers and delivery of an educational program that meets the learning outcomes of the provincial curriculum and its instructional time requirements. Operational grants were set at 35 or 50 per cent of the per-student operating grant amount issued to local public school districts. Independent schools received no capital funding from government.

Table 3.20 Independent Schools and Student Enrolment from 1990/91 to 2000/01

School Year	Student Enrolment	Change (per cent)	Number of Independent Schools	Change (per cent)
1990/91	40,381	8.5	278	4.1
1991/92	42,860	6.1	287	3.2
1992/93	46,024	7.4	313	9.1
1993/94	49,402	7.3	330	5.4
1994/95	52,400	6.1	337	2.1
1995/96	54,207	3.4	343	1.8
1996/97	55,866	3.1	350	2.0
1997/98	58,497	4.7	350	0.0
1998/99	59,606	1.9	351	0.3
1999/00	59,720	0.2	356	1.4
2000/01	59,743	0.0	346	−2.8

Source: Ministry of Education

Student Success

British Columbia's students perform well compared with their predecessors and with other Canadian and international jurisdictions. The ministry strives to improve student success and achievement and to ensure that educational opportunities are available to all students. Formal assessments of student success and achievement included grade 12 examinations, national and international assessments, and the foundation skills assessment.

Foundation Skills Assessment

The foundation skills assessment examines student performance in reading, writing, and numeracy at grades 4, 7, and 10. It indicates a large percentage of students meet or exceed expectations in reading, writing and numeracy.

Table 3.21 Reading, Writing and Numeracy Results 2000

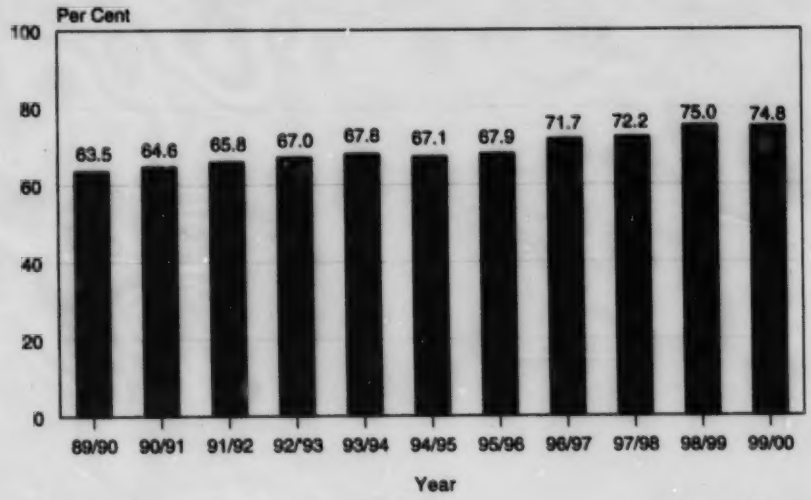
		Percentage of Students Meeting and Exceeding Expectations
Reading	Grade 4	79%
	Grade 7	81%
	Grade 10	79%
Writing	Grade 4	91%
	Grade 7	81%
	Grade 10	68%
Numeracy	Grade 4	80%
	Grade 7	80%
	Grade 10	75%

Source: Ministry of Education

School Completion Rates

A very important objective is for students to complete secondary school. In 1999/00, about 75% of students who started grade 8, graduated. This is an increase from about 64% in 1989/90.

Chart 3.8 School Completion Rate*



* Percentage of students starting grade eight who graduated

Source: Ministry of Education

Student Achievement

Senior secondary students are taking more academic courses, and performing at higher levels than they did ten years ago. This is shown by their participation and success in academic grade 12 courses.

Table 3.22 Indicators of Academic Success at Grade 12

	1989/90	1999/00	Per cent Change
Number of students qualifying for provincial scholarships[1]	1,230	4,221	
Provincial Examinations:			
Total number of students taking examinations	37,557	53,544	43%
Average number of examinations passed by student	2.2	3.0	36%
Percentage of Grade 12 students writing examinations:			
English	69%	72%	
Mathematics	32%	37%	
Biology	23%	29%	

[1] During the last 10 years, the provision of scholarships has changed from a fixed percentage of students being awarded scholarships to awarding scholarships to all eligible students who achieve a standard ministry score total of 1,700 or higher on their three best provincial examinations.

Secondary School Apprenticeship Program

The secondary school apprenticeship program improves transition opportunities into apprenticeship and industry training. Students in grades 10, 11 or 12 get a head-start on their careers by accumulating paid work experience towards the first year of their apprenticeship and, at the same time, earning credits towards high school graduation. As of June 1, 2001, 815 apprentices were enrolled, an increase of more than 100 per cent over the previous year's figure of 320 students. Secondary school apprenticeships account for 6 per cent of total apprenticeships in the province.

Special Education

In 2000/01, 66,250 students or 10.8 per cent of the school population were enrolled in special education programs, and $432 million was allocated for services to students with special needs. 42.2 per cent of special needs individuals enrolled in grades 11 and 12 were participating in career preparation, co-op, and apprenticeship programs.

Eleven per cent of all special needs individuals enrolled in secondary grades (including secondary ungraded) were participating in job training.

Post-Secondary Education

The province, through overall funding and program co-ordination, provides leadership and support for the advanced education and training system that provides British Columbians with opportunities to develop skills and knowledge. Public post-secondary education and training is delivered through a broad range of institutions, consisting of:

- four traditional and two specialised universities,
- five university colleges,
- 11 community colleges,
- three provincial institutes,
- two aboriginal institutes and
- The Open Learning Agency.

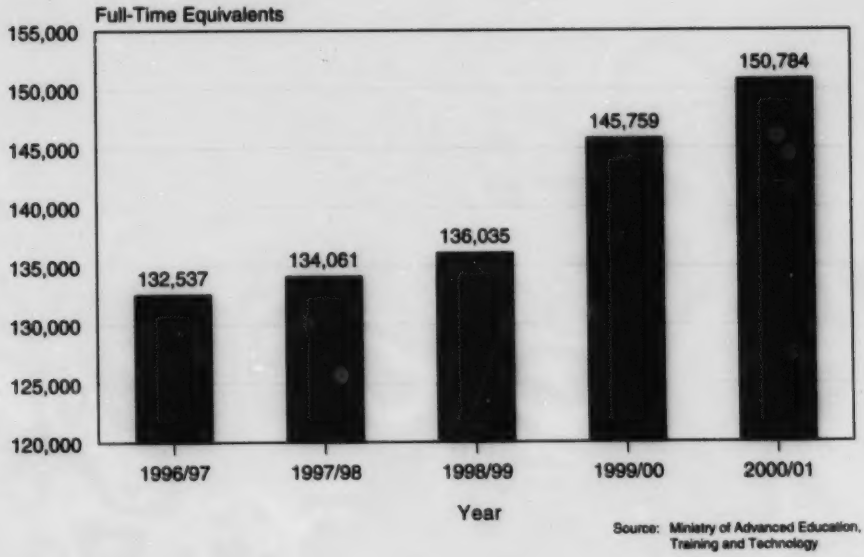
The system provides academic and continuing education, university transfer, career technical, trades, vocational and basic education.

Partial view of the Academic Quadrangle, Simon Fraser University.
(photo courtesy of Simon Fraser University)

Building Capacity in the Post-Secondary System

In 2000/01, 5,025 new student spaces were added raising the total student spaces in the public post-secondary system to 150,784. During the last five years, 20,000 new post-secondary student spaces have been created.

Chart 3.9 Total Funded Student Spaces (Full-Time Equivalents) 1996/97 – 2000/01



Source: Ministry of Advanced Education, Training and Technology

BC Benefits Post-Secondary Training Initiatives

Through the BC Benefits post-secondary training initiatives the province provides targeted assistance and services to recipients of income assistance to obtain basic education or post-secondary education in post-secondary institutions.

Institution-Based Training

Institution-based training funding provided to post-secondary institutions augments institutional student support systems to become more responsive to BC Benefits clients, mainly those who are identified with youth works and welfare to work programs. These support services focused on improving student completion rates and assisting in the transition from welfare to work.

Expanded Capacity

Expanded capacity provided funds to post-secondary institutions to expand training capacity to ensure that BC Benefits participants have access to upgrading and post-secondary level programs.

Table 3.23 Institution-Based Training and Expanded Capacity for B.C. Benefit Clients

	1998/99	1999/00
Institution-based training — number of students	13,000	12,412
Expanded capacity — FTEs	1,519	1,397

Aboriginal Post-Secondary Education and Training

Aboriginal post-secondary education and training is a provincial initiative to increase the participation and success rates of aboriginal people in post-secondary education and training. As part of this initiative, the ministry provided $3.7 million to support aboriginal programs in 2000/01.

Provincial Learning Network

The Provincial Learning Network is a communication network connecting public schools and all public post-secondary institutions to each other and to the Internet, enabling learners to access a wide choice of quality online education programs.

Student Financial Assistance

The government seeks to address financial barriers to access to post-secondary education by providing financial assistance in the form of loans and grants to students in need, and ensuring that tuition fees at public institutions remain affordable. Approximately 64,000 post-secondary students received federal and/or British Columbia student loans and grants in 2000/01, nearly the same number as the previous year. British Columbia student loan assistance last year was $103 million and grant funding was $74 million. Several program changes were introduced last year to provide improved assistance to certain categories of students including: students with permanent disabilities, single-parent students and British Columbia residents studying outside the province.

Tuition Freeze

Tuition fees at public post-secondary education institutions remained frozen at 1995/96 levels for the fifth consecutive year. A full-time student (two semesters a year) enrolled in an undergraduate arts program at a British Columbia university paid on average $2,280, compared to the Canadian average of $3,378.

Youth Programs

Youth Options BC is a cross-government initiative that connects young people in British Columbia to employment through twelve employment, training and work experience programs. Two of the programs in the initiative include:

- *Student Summer Works*: provided secondary and post-secondary students opportunities to gain work experience related to their chosen career or field of study. Employers were reimbursed up to 50 per cent of the wages paid to students — to a maximum of $4 per hour. In 2000, the student summer works program helped to create a total of 5,467 summer jobs for students, at an average cost of $1,355 per placement.

- *Youth Community Action*: provided youth aged 15 to 24 with opportunities to gain experience in areas related to their interests, chosen career or field of study through approved volunteer work with non-profit organizations and earn post-secondary tuition credit at the rate of $8 per hour up to a maximum amount of $2,400. A total of 2,025 positions were created in 2000/01.

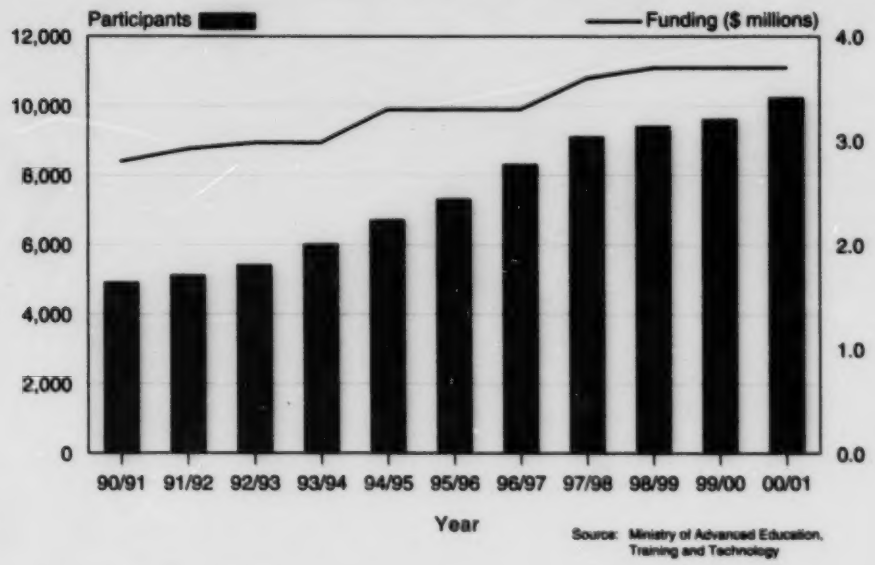
Skills for Employment Program

The intent of the skills for employment program is to increase the number of programs that respond to the needs of unemployed individuals who require training to enter or re-enter the workforce, and to emerging training needs at the local level. In 2000/01 an estimated 2,700 individuals, in 65 communities around the province, received training as a result of this program.

Co-operative Education

Co-operative education, designed to bridge the gap between study and work, provided full-time work experience through 10,222 student placements in 2000/01. Co-op placements have doubled during the past decade.

Chart 3.10 Post-Secondary Co-op Education in British Columbia, Number of Participants and Funding, 1990/91 – 2000/01



Research and Innovation

The post-secondary education system play a key role in strengthening the province's capacity for research and innovation.

High Technology Spaces

Eight hundred new student spaces were created in high-technology programs in the post-secondary education system in 2000/01, for a total of 2,000 new student spaces over a period of three years. In addition to the post-secondary co-op education program, the province also supported through its financial assistance high technology co-operative education work term placements.

British Columbia Knowledge Development Fund

The British Columbia Knowledge Development Fund (BCKDF) provides capital funding for research infrastructure for British Columbia's public post-secondary institutions, teaching hospitals, and affiliated non-profit agencies. The 2000/01 provincial budget increased the BCKDF by $117 million to $217 million, and extended the program to 2006/07. BCKDF is both a stand-alone program as well as a partnering grant program for the federal government's Canada Foundation for Innovation (CFI). In 2000/01, 51 projects totalling approximately $72 million were awarded BCKDF funding. The BCKDF awards for these projects leveraged $71 million in funding from the CFI, and $55 million from other non-provincial government sources, for a total investment of $198 million in research infrastructure in the province.

Michael Smith Foundation for Health Research

The Michael Smith Foundation for Health Research was established in March 2001, with an endowment of $110 million from the province, to fund health research, with the objective of retaining and attracting scientists and researchers to British Columbia. This will give the province greater presence in the health research field, and will serve to attract other sources of funding, particularly from the Canadian Institute of Health Research.

Protection of Persons and Property

The provincial government safeguards human rights and co-ordinates law enforcement and the justice system to ensure public safety.

Ministry of Attorney General

The Ministry of Attorney General is responsible for the administration and delivery of justice services, human rights and a number of independent agencies, boards and commissions.

Community Justice

The Community Justice Branch provides services in the areas of crime prevention, family justice, community safety and assistance to victims, and works in partnership with diverse communities

Residential Tenancy Office

The Residential Tenancy Office provides information and assistance to landlords and tenants on their legal rights, responsibilities and options under the *Residential Tenancy Act*; improves public awareness of provisions under the act and administers dispute resolution processes using government appointed arbitrators and mediators. Claims of up to $10,000 may be arbitrated and arbitrator's orders can be enforced through the courts. In 2000/01, the office answered 174,395 telephone enquiries, conducted 47,322 personal interviews, and scheduled more than 19,420 arbitration hearings and 24 mediation applications.

Victim Services

The Victim Services Division helps victims of crime and people who have been affected by crime in their communities. In 2000/01, there were 155 programs operating through community agencies and local police forces to provide information about the justice system, practical assistance, emotional support and referrals to supporting agencies.

Crime Prevention

The community crime prevention program works in partnership with youth, communities, police, schools and businesses to develop and implement crime prevention programs that promote community safety.

Youth Services

The Ministry of Attorney General is involved in several youth programs, including:

- B.C. safe school centre,
- B.C. youth police network,
- community action teams for preventing the sexual exploitation of children and youth,
- grant funding for community safety initiatives,
- operational funding for community justice organizations,
- the safe schools and safe communities initiative,
- youth against violence line, and
- youth action teams.

Family Justice Programs

The Family Justice Programs Division is responsible for the following programs:

- The family maintenance enforcement program, which enrols, monitors and enforces maintenance orders and registers agreements that require individuals to provide continuing financial support to their families. The provincial government delegates powers under the *Family Maintenance Enforcement Act* to a contracted organization operating the program.
- The reciprocals program, which has a statutory responsibility in cases crossing jurisdictional boundaries to designate courts within British Columbia and transmit documents to reciprocating jurisdictions for purposes of confirming, varying and enforcing maintenance orders and agreements.

- The family search program, which searches for missing individuals to obtain and enforce custody, access, guardianship and maintenance orders.
- The debtor assistance program, which provides direct service to individuals and families experiencing financial difficulties. Services include counselling, information about debtor and creditor rights, remedies and obligations, mediation of disputes, and court reports.

Consumer Services

The Consumer Services Division promotes fairness and understanding in the marketplace by developing and enforcing consumer legislation, which includes both consumer protection and industry regulation.

Credit Reporting

The credit reporting section administers the *Credit Reporting Act* that regulates credit-reporting agencies. The section handles complaints regarding individual credit records and liaises with credit reporting agencies. There were 17 registered agencies and 301 complaints in 2000/01, compared to 17 registered agencies and 391 complaints in 1999/00.

Debt Collection

Debt collection agencies, debt collectors and bailiffs are registered under the *Debt Collection Act*. In 2000/01, the section licensed 202 agencies and 2,700 collectors and handled 3,935 complaints against registrants.

Motor Dealer Licensing

Motor dealer licensing administers the *Motor Dealer Act*, the Motor Dealer Customer Compensation Fund Regulation and the Motor Dealer Consignment Sales Regulations. In 2000/01, 1,689 dealers were licensed in comparison to the 1,673 licensed in 1999/00. Regulations also provide protection by mandating full disclosure of vehicle history by dealers, as well as coverage of up to $20,000 for losses by individual customers. During the past year the motor dealer compensation fund paid out $96,158 to 43 customers. As of March 31, 2001, the fund's balance was $1.6 million, up almost $300,000 from the previous year.

Registrar of Cemeteries

The Registrar of Cemeteries and Funeral Services regulates the establishment and operation of cemeteries and crematoria. In 2001, there were 136 funeral homes (134 in 2000) licensed to operate in the province. Most cemeteries are required to have a perpetual care fund which represents a minimum of 25 per cent of the price of each plot sold and $10 for each memorial marker installed. These funds, held in trust, amounted to about $45 million.

Registrar of Direct Sellers

The Registrar of Direct Sellers administers regulations under the *Direct Sellers Consumer Protection Act*. In 2000/2001, 82 direct seller (door-to-door) companies were licensed, compared to 85 in the previous year.

Travel Services

In 2000/01, there were 1,179 registered travel agencies in the province, up from 1,155 in 2000. During 2000/01, $24,695 was paid out of the travel assurance fund to compensate 29 travellers that prepaid their trips but were unable to travel. The fund's balance as of March 31, 2001, was $3.1 million.

Corrections

The Corrections Branch promotes public safety, provides opportunities for offenders to change and assists families in conflict resolution. Corrections staff includes probation officers, correctional officers, family justice counsellors and administrative support workers. The branch delivered provincial correctional programs and family justice services through the following divisions:

Adult Custody

The Adult Custody Division operated seven secure custody centres, three medium security centres, seven open custody centres, two community custody centres and one pre-trial centre. During 2000/01, the average daily adult custodial count rose by 0.3 per cent to 2,310 (excluding immigration holds). The average remand count decreased by 1.2 per cent, from 821 in 1999/00 to 811 in 2000/01.

Community Corrections

The Community Corrections Division operates 59 probation offices in communities throughout the province. Probation officers assess and supervise accused and sentenced adult offenders to ensure compliance with conditions imposed by the courts and provincial releasing authorities. On average, the division supervised approximately 20,300 offenders per day (including electronic monitoring).

Family Justice

The Family Justice Division operated centres in 31 communities throughout the province. Counsellors assist families experiencing a separation and needing to resolve child custody access and spousal maintenance problems. The division provides dispute resolution services and custody and access reports, primarily for families of modest means. Parenting-after-separation programs are delivered province-wide and are available at no cost to all separating parents.

Court Services

The Court Services Branch administered 99 court facilities in British Columbia, of which 70 were permanently staffed. Of the 99, the Supreme Court sat in 30 facilities, the Appeal Court sat in five and another 10 acted as Supreme Court filing registries.

Criminal Justice

The Criminal Justice Branch contributes to the protection of society by preparing for and conducting prosecutions. The branch is responsible for prosecutions under the *Criminal Code of Canada*, the *Young Offenders Act* and provincial statutes in the trial and appeal Courts of British Columbia and the Supreme Court of Canada. The branch also provides direct services to victims and witnesses throughout the court process.

Land Title

The Land Title Branch looks after registration of land ownership based on the Torrens land title registration system. This system ensures security of title and other interests of land such as mortgages, life estates, leases, rights of way, easements and liens registered against the land. In performing the duties described in the *Land Title Act*, the branch fulfils a quasi-judicial function. The branch also maintains a computerized system to enable quick access to land title information.

Public Safety and Regulatory Branch

The Public Safety and Regulatory Branch ensures that the province's public police forces and other security-related agencies provide adequate and effective services. The branch also:

- plans and co-ordinates provincial responses to major emergencies and disasters,
- audits and inspects gaming activities,
- regulates films and videos in British Columbia,
- investigates all reported deaths in order to determine, for each case, the identity of the deceased and the facts as to how, when, where and by what means the deceased came to his or her death,
- ensures justice agencies have ready access to information on individuals who are the subject of protection orders, and
- implements the *Federal Firearms Act*, including licensing all firearm owners, businesses and museums and investigating and screening applicants for licenses to own, transport or carry firearms.

Police Services

The Police Services Division oversees the financing and organization of the provincial police force through the contracted services of the Royal Canadian Mounted Police (RCMP), as well as, agreements with the RCMP for municipal policing. The division develops and co-ordinates policing policy with both the RCMP and independent municipal police departments. The Police Services Division also administers police and law enforcement programs, including:

- special provincial constable programs,
- designated policing and law enforcement units,
- First Nations policing,
- protection of witnesses,
- auxiliary/reserve constables,
- appointment, training and ongoing support of police board members, policing standards, and audit of police departments and other law enforcement units; and
- traffic safety programs including photo radar, intersection safety camera, CounterAttack, speed enforcement and auto crime prevention.

The Police Services Division oversees the financing and organization of police operations.

Film Classification

The film classification office regulates the public exhibition, rental and distribution of films and videos in British Columbia. All films shown publicly and adult videos sold or rented through video rental outlets must be viewed and classified by the office.

Gaming

Legalized gaming in British Columbia includes lotteries, horse racing, casinos, bingo, ticket raffles, social event gaming and gaming at fairs and exhibitions. The gaming industry operates under the authority and direction of the minister responsible for gaming, through the Gaming Policy Secretariat, the British Columbia Lottery Corporation, the British Columbia Gaming Commission and the British Columbia Racing Commission. The Gaming Audit and Investigation Office ensures that gaming in

British Columbia is conducted honestly and is free from criminal and corruptive elements.

Provincial Emergency Program

The Provincial Emergency Program (PEP) is responsible for the design, development and readiness of the provincial emergency management structure and is committed to the mitigation of human suffering and property loss caused by emergencies and disasters. PEP works closely with local and federal governments, other ministries, agencies and Crown corporations. PEP supported a core group of over 120 highly skilled staff from various government ministries to activate emergency response centres throughout the province to help communities deal with emergencies. PEP also supported more than 13,000 public safety services volunteers in search and rescue, PEP air service, road rescue, emergency radio communications and emergency social services in communities throughout the province.

Liquor Control and Licensing

The Liquor Control and Licensing Branch is responsible for controlling access to and encouraging the responsible use of alcohol. The branch issues and transfers licences for resale and manufacture of liquor; approves and monitors product advertising; inspects licensees to ensure compliance with the law; takes appropriate compliance action for contravention of the *Liquor Control and Licensing Act* and its regulations; and liases with stakeholders to develop effective policy and legislation.

As of March 31, 2001, there were 10 classes of liquor licenses in British Columbia and 8,183 licensed premises, up two per cent from the previous year. There were 25,978 special occasion license permits issued (down two per cent from 1999/2000). Liquor inspectors conducted 22,000 inspections. Enforcement action resulted in 171 warning letters, 139 contravention notices, 29 hearings and 29 suspensions.

Agencies, Boards and Commissions

Human Rights

The British Columbia Human Rights Code establishes a structure to administer human rights in a number of areas: the British Columbia Human Rights Commission, which investigates and mediates human rights complaints; the British Columbia Human Rights Tribunal, which adjudicates cases referred by the Human Rights Commission; and the Human Rights Advisory Council, a volunteer citizen board, that provides advice to the Attorney General and the commission on human rights.

Children's Commission

The Children's Commission reviews and resolves complaints concerning the rights of children in care or children receiving services from the Ministry for Children and Families. The commission monitors the plans of children in care and conducts random audits, reviews all child fatalities and investigates those found to be suspicious or unusual. The commission automatically investigates critical injuries of children who are receiving designated services.

B.C. Coroners Service

The B.C. Coroners Service is responsible for ascertaining the facts surrounding a death including the identity of the deceased; and how, when, where and by what means the person died. A Coroner's investigation results in the completion of a formal public document, either a Judgement of Inquiry or Verdict of Coroner's Inquest. The Coroners Service investigates all unnatural, unexplained and unattended death and determines the facts surrounding each of these deaths. It is also responsible for making recommendations that will prevent future loss of life in similar circumstances.

Legal Services Society

The Legal Services Society (LSS) provides legal representation for eligible applicants and legal education for the people of British Columbia. Eligibility is based on the nature of the legal issue involved and the financial status of the applicant. LSS operates or funds offices in communities across the province to provide these services.

LSS received nearly 100,000 applications for legal representation or other legal assistance annually. More than one-half of those who applied are referred to a lawyer or paralegal. Applicants not referred to a lawyer or paralegal could receive other assistance from LSS, such as legal information, summary advice, or referral to another agency. LSS staff also provided intake assistance to people seeking help with a poverty law problem that requires only brief service, or a legal problem that is not covered by the tariffs. An intake case involves up to two hours of summary legal advice and/or information; applicants do not have to be financially eligible to receive this help.

Table 3.24 Legal Services Society Applications and Referral Summary

	1997/98	1998/99	1999/00	2000/01
Applications	102,336	99,931	98,535	96,880
Referrals to lawyers and paralegals	51,871	50,738	51,534	50,513
Intake cases	18,054	20,726	21,136	22,806
Information/summary advice	8,215	3,009	9,324	11,124

Brydges Line: In addition to the above, Brydges Line received 30,051 calls in 2000/01. Brydges Line is a province-wide 24-hour toll-free telephone service that provides prompt access to legal advice for people who are arrested or detained, or people who are under active investigation by police but are not yet charged and need emergency advice.

Duty Counsel: Duty counsel assisted 49,872 people in courts across the province in 2000/01. Duty counsel advise accused people about the charges against them, court procedures and legal rights, and often represent them in hearings. Clients do not have to be financially eligible to receive duty counsel services, but only those who meet LSS coverage and financial eligibility requirements are entitled to a legal aid referral for ongoing representation.

LSS Legal Resource Centre: LSS Legal Resource Centre staff handled 12,615 requests through Law Line, a legal information telephone service provided by law librarians for the general public. The publishing program distributed 191,245 public legal education items produced by LSS and other organizations. LSS also provided small grants to more than 100 community organizations and libraries to develop projects, workshops, and materials that explain the law and the legal system to the public, and to purchase legal materials for library collections.

Services to Women

In 2000/01 the Ministry of Women's Equality worked to reduce violence against women, advance women's economic equality and enhance social well being of women by providing for a range of intervention and prevention initiatives to reduce violence against women; encouraging maximum community and private sector participation in contributing to equality for women, and providing leadership, advocacy and advice.

Ninety per cent of the ministry's resources were allocated to programs dealing with violence against women. During 2000/01 the ministry funded:

- 86 transition houses, safe homes and second-stage houses that provided temporary shelter for 14,800 women and children leaving abusive relationships;

- 79 counselling programs that provided counselling to 5,700 women who had experienced sexual abuse;
- 55 counselling programs that provided 10,000 sessions for children who had witnessed abuse;
- 37 women's centres that provided a variety of services for women; and
- 27 bridging employability programs providing service to 900 women who left abusive relationships.

Transportation

Ministry of Transportation and Highways

The Ministry of Transportation and Highways plans, builds and operates the provincial highway system. In addition, through the Office of the Superintendent of Motor Vehicles the ministry regulates access to driving privileges to ensure that British Columbia drivers are fit and safe.

Highway Operations

Highway operations is comprised of the maintenance, rehabilitation and minor capital upgrading on the 84,225 lane kilometres of provincially owned road and related structures that fall under the ministry's responsibility. This also includes specific programs to safeguard the public from natural hazards on the highways such as avalanches, rock falls and seismic events. The ministry is also responsible for inland marine operations, involving 16 routes.

Contractors do the majority of the work carried out on the highway system, with ministry staff providing the contract supervision, technical expertise and being responsible for the overall management of the system.

North Fernie Bridge project on Hwy. 3.
(photo courtesy of Transportation and Highways)

In 2000/01, the value of available funding was maximized through cost-effective delivery of projects. A total of 498 projects were undertaken to restore, improve and protect the roads, bridges and other infrastructure across the province. This resulted in:

- 2,165 lane kilometres hard surfaced;
- 305 lane kilometres hard surfaced for the first time;
- 32 bridges/structures rehabilitated;
- 19 bridges replaced;
- 13 kilometres of guardrail installed; and
- 13 intersections improved.

In 2000/01 minor capital construction activities, projects ranging from $1 million to $50 million, included:

- Designing and constructing minor capital projects costing $91 million throughout the province. Projects addressed high priority safety, mobility and reliability problems and will ease congestion, reduce accidents and enhance the movement of people and goods on the provincial road system.
- Completing the construction and putting in to service a new vessel for the Kootenay Lake ferry route. The vessel is capable of carrying 80 vehicles and 250 passengers.

Major Capital Construction

Major capital construction activities of 2000/01 (projects in excess of $50 million) included:

- continuation of the Lion's Gate crossing project;
- continuation of the construction of the Vancouver Island highway project;
- continuation of the implementation of the Cache Creek to the Rockies program;
- start of the construction on the Port Mann Bridge project, widening to five lanes and bridge approaches;
- commencement of construction of the ramp from Mary Hill bypass to the Trans Canada Highway westbound in the vicinity of the Cape Horn interchange; and
- continuation of the planning and preliminary design of the South Fraser perimeter road and the detailed design of the Okanagan Lake Bridge.

Highway Planning

Major highway planning activities encompassed:

- the provincial highway plan;
- Lower Mainland highway planning;
- Okanagan Valley transportation plan;
- access management initiatives;
- multimodal corridor transportation study — Horseshoe Bay to Highway 97 junction, (Sea-to-Sky Highway) (Whistler 2010);
- North Fraser perimeter road;
- Highway 16 and Highway 3 corridor assessments;
- US/Canada border crossings analysis; and
- Highway 4 corridor study — Port Alberni west.

Office of the Superintendent of Motor Vehicles

The Office of the Superintendent of Motor Vehicles (OSMV) regulates access to driving privileges to ensure that British Columbia drivers are fit to drive. OSMV shares responsibility for driver licensing and testing standards with the Insurance Corporation of British Columbia (ICBC), and provides an independent appeal facility for certain ICBC licensing decisions. In 2000/01, OSMV:

- Managed all medical case backlogs to within 30 days.
- Completed 60 per cent of administrative driving prohibitions (ADP) reviews within 21 days. The Superintendent has discretion to extend this period and did so in

40 per cent of cases. The average time to complete a vehicle impoundment review was six days.

- Developed an Internet web site to provide access to information, including forms and publications.
- Developed electronic management of case files with digital imaging and a case management system resulting in substantial operating efficiencies.

British Columbia Ferry Corporation

The British Columbia Ferry Corporation (BC Ferries) is the provincial Crown Corporation responsible for coastal ferry transportation services. BC Ferries operated a fleet of 40 vessels from 47 marine terminals plus seven other sites, encompassing 25 own routes and 11 contracted routes. The corporation distinguishes the service it provides along four separate lines:

- Service provided between Vancouver Island and the mainland — This service provides the main link between the island and the mainland. A large component of this service includes commercial transport.
- Service to smaller island communities — Depending on the size of the island community, BC Ferries services can be the main transportation link that provides access to schools, medical facilities and shopping.
- Service to the mid and north coast of the province — This service has two priorities:
  - the first priority is to ensure that the more remote communities have access to staple goods as well as having access to the rest of the province; and
  - the second priority is to foster tourism. During the summer, BC Ferries provided additional service to the mid and north coast region to develop the region as an eco-tourist destination.
- Contract services to remote communities — BC Ferries provided a subsidy to contractors operating in more remote areas. The operator retained the revenues generated.

Ferry servicing Salt Spring Island.

(photo courtesy of BC Ferries)

Table 3.25 Operating Statistics of British Columbia Ferry Corporation

	1997	1998	1999	2000	2001
Passengers carried (000)	22,269	21,799	21,379	21,381	21,369
Capacity utilization — passengers	31%	30%	30%	31%	31%
Vehicles carried (000)	8,163	7,985	7,815	7,884	7,933
Automobile equivalents carried[1] (000)	8,910	8,779	8,579	8,668	8,709
Capacity utilization — automobile equivalents	53%	53%	52%	54%	54%
Full-time equivalent employees	3,292	3,374	3,389	3,390	3,339
Tolls, catering and other income per passenger[2]	$14.69	$16.02	$16.52	$16.66	$16.91
Operating and net financing expenses per passenger[2]	$17.16	$17.85	$19.38	$20.62	$18.45
Recovery of operating and net financing expenses from tolls, catering and other income	85.6%	89.8%	85.2%	80.8%	91.7%

[1] Automobile equivalents are a standard-length traffic unit. Under-height and over-height vehicles are each one automobile equivalent and buses and trucks are each three automobile equivalents.
[2] Per passenger revenue and per passenger operating expenses are for BC Ferries only and exclude government contracts, grants and motor fuel tax, and the wholly owned subsidiary Catamaran Ferries International Inc. Net financing expenses mean financing expenses net of any positive cash flow generated during the year.

British Columbia Transit

British Columbia Transit (BC Transit) is the provincial Crown agency responsible for providing public transportation throughout the province outside of Greater Vancouver. Three types of service are provided.

- Conventional transit — buses operate on fixed-routes, and fixed-schedules.
- Custom transit or "handyDART" — door-to-door, demand-responsive services carrying registered persons who are unable to use the conventional transit system because of a disability. (Custom transit includes contracted taxi supplemental service and taxi saver programs in which registered users purchase coupons at a 50 per cent discount to a fixed monthly level.)
- Paratransit — provides smaller buses, carries both conventional and custom transit passengers in small towns and rural areas.

In addition to managing and operating the Victoria regional transit system, BC Transit plans, funds, manages the fleet, markets and contracts for transit systems in 51 municipal service areas throughout British Columbia. The scope of the program comprised of 24 conventional, 32 paratransit and 13 custom transit systems. Although public passenger transportation represents BC Transit's core mandate, the corporation's span of activities has broadened in recent years to include:

- efforts to co-ordinate school busing and transit in the municipal systems program
- travel demand management such as vanpools and bus pass programs, and
- regional transportation planning and governance initiatives.

The Victoria regional transit System carried 19.3 million revenue passengers in 2000/01 on the conventional system and a total of 19.6 million passengers on all systems, up by 5.0 per cent from the previous year.

Table 3.26 Victoria Regional Transit — Conventional System

	1997/98	1998/99*	1999/00	2000/01
Revenue passengers (millions)	17.7	17.1	18.4	19.3
Revenue passengers per service hour	32.1	30.5	30.7	32.0
Service hours (thousands)	550.73	559.13	598.06	603.20
Operating cost per service hour	$66.91	$70.23	$70.25	$71.97
Operating cost per revenue passenger	$2.09	$2.30	$2.29	$2.25

* eight day strike March 1999

Other municipal systems carried 14.5 million revenue passengers in 2000/01 on the conventional system and a total of 15.6 million passengers on all systems, up by 7.7 per cent from the previous year.

Table 3.27 Municipal Systems Program — Conventional System

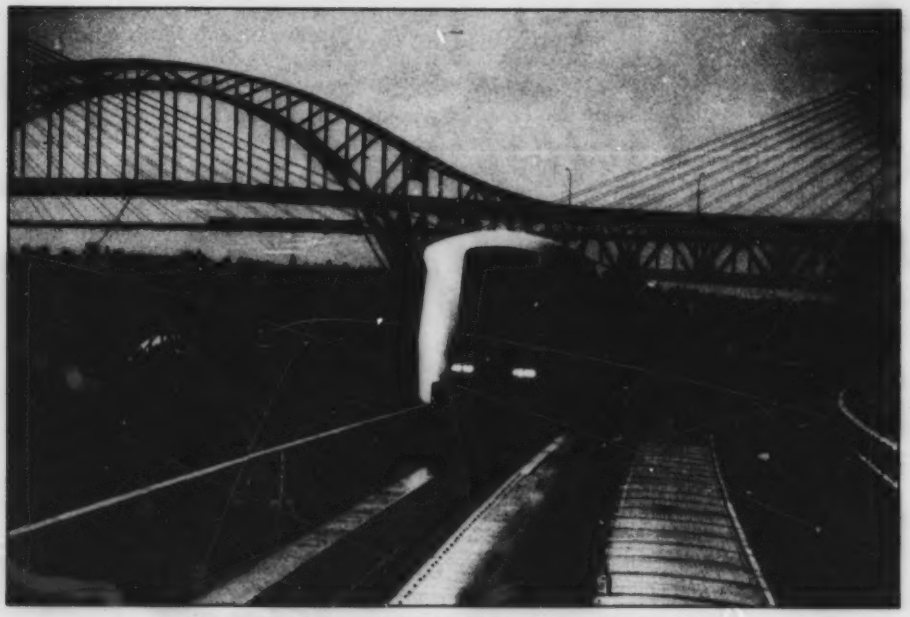
	1997/98	1998/99	1999/00	2000/01
Revenue passengers (millions)	11.5	12.4	13.5	14.5
Revenue passengers per service hour	20.1	20.6	21.6	22.7
Service hours (thousands)	571.13	604.00	625.26	638.6
Operating cost per service hour	$60.03	$59.95	$61.38	$63.91
Operating cost per revenue passenger	$2.99	$2.92	$2.84	$2.82

Rapid Transit Project 2000 Ltd.

The Rapid Transit Project 2000 Ltd. (RTP 2000) was created to manage the *SkyTrain* expansion project. Its role is to:

- plan, design and construct the 20.5-km Millennium *SkyTrain* line between Columbia Station in New Westminster and Vancouver Community College in Vancouver via the Lougheed-Broadway corridor; and
- undertake feasibility studies for future *SkyTrain* lines including the Port Moody-Coquitlam Line between Lougheed Town Centre and Coquitlam Centre via Port Moody, and the Vancouver west extension from Vancouver Community College along the Broadway corridor.

As of the end of March 2001, 84 per cent of the Millennium Line expenditures were committed. The first phase of the Millennium Line is scheduled to begin serving New Westminster to Braid Station by the end of 2001.



The new *SkyTrain* cars being tested on the new Millennium Line that will connect New Westminster, Burnaby and Vancouver.
(photo courtesy of Rapid Transit Project 2000)

BC Transportation Financing Authority

The BC Transportation Financing Authority (BCTFA), a Crown corporation, was created in 1993 by the provincial government under the *Build BC Act* to make capital investments in the province's transportation infrastructure. BCTFA's activities included:

- financing highway and other transportation infrastructure;
- co-ordinating the development and implementation of comprehensive and innovative provincial transportation strategies;
- promoting innovative financing of transportation infrastructure including private and public sector partnerships; and
- increasing the social and economic benefits of transportation investment throughout the regions of British Columbia.

BCTFA's major programs, results and investments made through them in 2000/01 are stated below.

Preservation and Replacement Program

During 2000/01, $144.4 million was invested in resurfacing 2,310 lane kilometres of road, rehabilitation or replacement of 108 bridge structures, and seismic retrofits of bridges designated for disaster response routes.

Priority Corridors Program

- Highway 1: Cache Creek to the Rockies — construction of passing lanes, four-laning, intersection reconfiguration, realignment and new structure.
- Highway 37 north of Meziadin Junction — sealcoating 79 kilometres from Boya Lake Provincial Park and the Yukon border, reconstruction of 11 kilometres between Glacier and Oweegee Creeks, clearing and grubbing 20 kilometres from Hodder Creek to Rescue Creek, and crushing of 175,000 cubic metres of aggregate.
- Highway 97 from the US Border to Highway 1 — detailed design of the Okanagan Lake Bridge and four-laning Swan Lake to Crozier

- Nisga'a Highway — 4.6 kilometres of grade construction from Sand Lake to Lava Lake, 9 kilometres of grade construction between the WD McKay Bridge and Zaulzap Channel, the construction of two bridges at Ansedagen and Kwinyarh Creeks and the building of 1,337 square metres of spawning channels and juvenile rearing habitats.
- Vancouver Island Highway — 43 kilometres of four lane grading, 5.6 kilometres of two lane grade construction, 14.4 kilometres of four lane road, construction of 23 bridges, paving and finishing work.

Major Highway Performance Sustaining Program

$53.2 million was invested in various projects including the new Kootenay Lake ferry, the John Hart Bridge, and improvements to Highway 4 and Highway 6. Improvements on Highway 4 included 22 lane kilometres of hot-in-place paving between Parksville and Chatsworth Road, realignment from Taylor River to Ucluelet, replacement of three bridges, and design work to replace the Hynds and Shepherd bridges. Work on Highway 6 included an arrester bed for the runaway lane at the Needles ferry terminal and alignment work at two railway crossings.

Lower Mainland Congestion Relief Program

$99.1 million was invested in projects including the Lions Gate Bridge rehabilitation, the High Occupancy Vehicle (HOV) lane expansion on the Port Mann Bridge, and conversion of bus lanes on Highways 17 and 99 to HOV lanes.

Economic Development Partnerships and Infrastructure Partnerships

This program reduced the burden on provincial taxpayers through the capture or recovery of benefits generated by new transportation infrastructure for specific identifiable beneficiaries. 24 partnership projects were underway or in negotiation during the year. The value of BCTFA partnership projects reached about $95 million, of which $40 million will be contributed by or recovered from other parties.

Oil and Gas Initiative

$21.5 million was invested in 2000/01 for construction work on 130 kilometres of road and one bridge replacement. This is the second year of a six-year, $103-million program to improve public roads used by the oil and gas industry.

Demand Management

Work continued on the $20.5 million traffic management program, that will use intelligent traffic system technology to save travel time on Highway 1 between Lynn Valley Road in North Vancouver and 160th Street in Surrey. This project is expected to be operational by 2003.

Natural Resources

Ministry of Environment, Land and Parks

The Ministry of Environment, Land and Parks, through overall funding and program co-ordination, protects and conserves natural resources; maintains and restores the quality of land, water and air; and manages water resources.

Fish, Wildlife and Habitat Programs

Fish, wildlife and habitat programs aim to protect, maintain and rehabilitate British Columbia's ecosystems and landscapes, and fish and wildlife populations.

Wildlife and Fisheries

Wildlife and fisheries programs aim to maintain the diversity and abundance of native species and their habitats throughout British Columbia, to ensure a variety of opportunities for sustainable use and enjoyment of these resources, and to balance the needs of the resources with the needs of people.

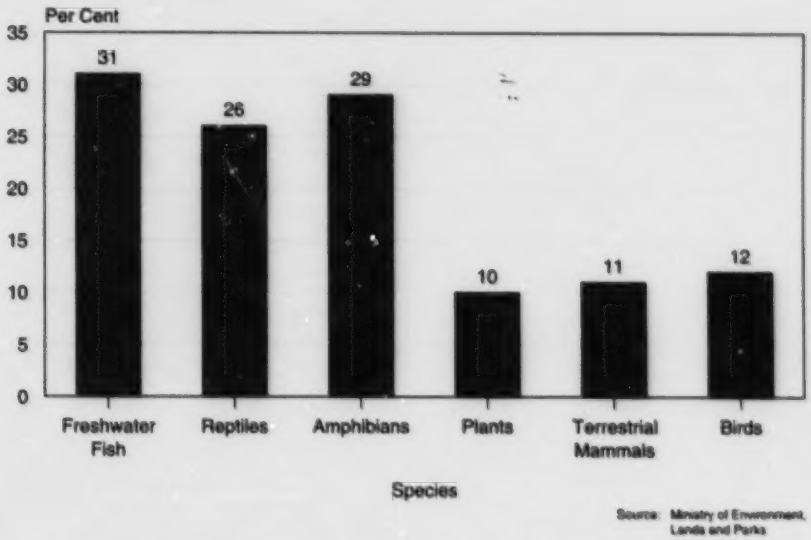
The Brackendale eagle reserve protects important eagle habitat on the Squamish River from the Mamquam to the Cheakamus River.

(photo courtesy of Tourism British Columbia)

Habitat Program

The habitat program advocates maintaining the diversity of habitats and ecosystems; maintaining habitats of rare and endangered species; and resource management alternatives that favour ecological integrity.

Chart 3.11 Threatened or Endangered Species — As percentage of Known Species



Source: Ministry of Environment, Lands and Parks

The following were some major conservation developments during the fiscal year:

- British Columbia's first two wildlife habitat areas were established under the Forest Practices Code, to protect bat caves on northern Vancouver Island and mountain goat habitat in the Prince George region.

- The wildlife-rich Muskwa-Kechika management area was formally expanded under new legislation by 1.9 million hectares.
- The South Okanagan-Similkameen conservation program, a partnership of federal and provincial governments and non-government conservation and community groups, was launched to conserve the area's biodiversity and protect its species at risk.

Habitat Conservation Trust Fund

The Habitat Conservation Trust Fund is a statutory purpose trust, concerned with the conservation or enhancement of biological diversity, fish, fish habitat, wildlife or wildlife habitat, the acquisition and management of land for conservation or enhancement purposes, and furthering the knowledge of fish and wildlife or their habitat. Hunters, anglers, trappers and guide outfitters contribute to the Trust Fund's projects through license surcharges. Any individual or group can apply to the Trust Fund for project funding to pursue habitat enhancement, species conservation, land stewardship, environmental education, or land acquisition.

Wildlife Program

Recreational sport fisheries are integral to British Columbia's regional economies and are important socially and culturally to many British Columbians. BC Fisheries' five freshwater hatcheries stock about 10 million trout, char and kokanee in 1,100 lakes and streams each year and support half of all freshwater angling activity in the province.

Table 3.28 Recreational Fisheries Programs

	1996/97	1997/98	1998/99	1999/00	2000/01
Freshwater licence sales — BC residents	301,000	283,000	286,000	275,000	276,000
Freshwater licence sales — non-resident	74,000	69,000	72,000	73,000	77,000
Sport fishing sector revenues (freshwater) — millions	$326.4	$311	$332.7	$324.1	N/A
Sport fishing (freshwater) contribution to provincial GDP (constant 1992 $) — millions	$115.1	$107.6	$110.7	$104.6	N/A

The following table shows that the sale of resident hunting licences has steadily declined compared to an increase in non-resident licences.

Table 3.29 Hunting Licences

	1996/97	1997/98	1998/99	1999/00	2000/01
Number of resident hunting licence sales	460,769	450,482	435,012	421,261	418,741
Number of non-resident hunting licence sales	16,819	16,136	16,999	18,433	19,922

In addition, an estimated $1 billion or more in economic benefits is generated annually from non-consumptive uses of wildlife — British Columbians and tourists enjoy viewing opportunities, photography and other non-consumption uses.

Enforcement and Environmental Emergencies Programs

The enforcement program (conservation officer service) provides an environmental law enforcement service as well as response to wildlife/human conflicts where public safety is at risk. Major activities for the year ended March 2001 included:

- received 278 grizzly bear complaints and 8,373 black bear complaints. Of these, 11 grizzlies and 69 black bears were relocated; 52 grizzlies and 690 black bears were killed; and
- enforcement activities shown in the following table.

Table 3.30 The Conservation Officer Service Enforcement Activities

	1999/00	2000/01
Investigations initiated during the year	5,790	6,239
Charges laid during the year	2,648	1,818
Convictions obtained	2,430	2,091

The ministry also responds to approximately 4,000 environmental spills every year. Highly trained spill response officers assess each incident and provide the appropriate response to ensure that the environment, people and property are protected.

Air Resources Program

The air resources program provides leadership, technical and scientific expertise, and resource management tools to address atmospheric issues (including smog, fine particulates and smoke, global climate change and stratospheric ozone depletion) and promotes public awareness and stewardship. It does so through partnerships with other agencies, other levels of government, industry, stakeholder groups and the public.

- In October 2000, a three-year climate change business plan was released. It included new funding for greenhouse gas emissions reduction and detailed commitments in transportation, energy and industry, communities and buildings, forest and agriculture, and supporting actions including public education and outreach and market-based approaches to emission reductions.
- Improving air quality in sensitive airsheds is a program priority. In partnership with other governments, industry and communities, airshed management plans are being implemented or underway in the Greater Vancouver and Fraser Valley Regional Districts, Prince George, Quesnel/Williams Lake, and the Okanagan Valley.
- The ministry released a technical report summarizing the air quality and health effects of the proposed Sumas 2,660 megawatt natural-gas-fired electricity generation facility in Sumas, Washington State, just south of Abbotsford. The report was prepared in partnership with Environment Canada, the Greater Vancouver regional district, the Fraser Valley regional district and the Ministry of Health.
- The ministry co-sponsored an independent evaluation of the AirCare program, which confirmed that the program is one of the most effective motor vehicle inspection/maintenance programs in North America. In its seven years of operation, AirCare has resulted in an overall 30 per cent reduction in light duty vehicle emissions in the Lower Mainland. The program is the single largest emission reduction measure in the region.

Water Management Programs

Water management programs are responsible for managing the province's water resources. The water management branch implements standards, programs and strategies in the areas of water allocation, water quality, groundwater, public safety, water utility regulation and water use planning.

Highlights of the year included:

- A "quick-licensing" process was implemented that allows streamlined processing of applications for low-volume, low impact water licences.
- A well protection tool kit was introduced to help the approximately 950,000 people in British Columbia who are dependent on groundwater sources plan for healthy drinking water supplies.
- In January 2001, a draft drinking water protection strategy for British Columbia was released for public comment.

Provincial Dyke Safety Program

Through the provincial dyke safety program the ministry provides general supervision to the construction and maintenance of dykes, including the ability to issue orders to protect public safety. Currently, there are 140 dyking systems in British Columbia with a total length of over 1,000 km protecting 120,000 hectares of valuable land. By the end of this fiscal year, 75 per cent of local governments had developed an emergency flood response plan.

Water Licensing Program

The ministry is responsible for the administration of the *Water Act*, *Water Protection Act* and *Fish Protection Act* including the licensing and regulation of major power and water projects. The program was responsible for the annual billing of $294 million in water licence fees and rentals from 42,135 clients in 2000/01, compared to $297 million from 42,039 clients in the previous year.

Provincial Dam Safety Program

There are 2,200 dams operating in British Columbia. The ministry assists dam owners in ensuring that their structures are designed, constructed and maintained according to acceptable standards of public safety.

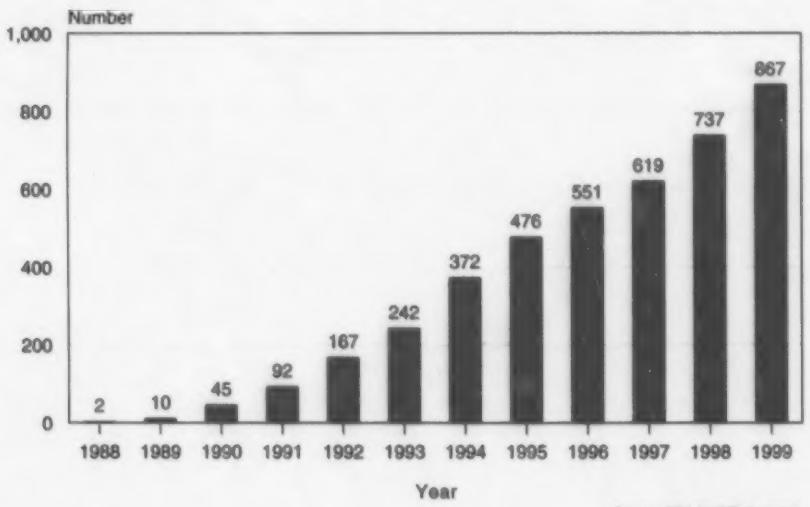
Pollution Prevention Programs

Pollution prevention programs take a lead role in protecting the environment and preventing pollution by developing guidelines and standards; inspecting and monitoring discharges; working with large industry and small businesses to develop pollution prevention plans; and developing and implementing industry product stewardship programs and environmental management systems within the municipal, industrial, agricultural and small-business sectors.

Contaminated Site Program

This program maintains a contaminated sites registry and facilitates and regulates contaminated sites assessments and clean ups throughout the province.

Chart 3.12 Cumulative Number of Contaminated Sites Remediated, 1988 – 1999



Source: Ministry of Environment, Lands and Parks

Product and Packaging Stewardship Programs

Product and packaging stewardship programs continue to have a significant impact on the quantity of used or leftover products and packages reaching landfills, incinerators or the general environment. By 2000, a 36 per cent per-capita reduction from 1990 levels had been achieved. During 2000/01, 84 per cent of the 1.5 billion beverage containers sold in the province were recovered.

Table 3.31 Collection and recycling of selected harmful substances

Program	1996/97	1997/98	1998/99	1999/00	2000/01
Lead acid batteries	416,734	520,374	778,002	779,055	752,494
Tires (passenger tire equivalents)	3,242,000	3,090,000	3,051,000	3,324,000	3,424,000
Medications return (formerly pharmaceauticals) (kg collected)	—— 6,700 —— (Nov. 96 to Apr 98)		10,100 (estimation)	11,500	7,140
Waste paint (equivalent-litre containers)	2,111,000	2,889,000	3,702,000	3,900,000[2]	4,000,000
Residuals[1] (equivalent-litre containers)	—— no data ——		128,000[2]	87,000	

[1] Solvents, flammable liquids, pesticides, gasoline, etc.
[2] Calendar year 1999 data.

Integrated Pest Management Program

Integrated pest management program facilitates the planning, licensing and certification of pest management activities in British Columbia. Approximately 1,300 pest management professionals have been trained and certified over the past two years, and 15 five-year pest management plans replaced approximately 50 three-year permits.

Other Pollution Prevention Programs

Other pollution prevention programs of the ministry include:

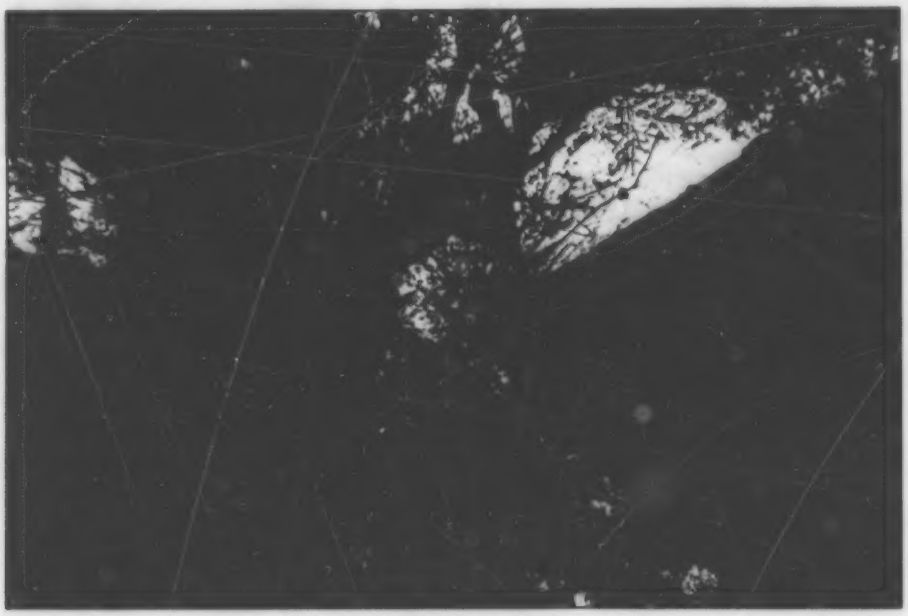
- Special Waste Regulation — pertains to the cradle-to-grave management of special waste. Currently the program issues approximately 200 transport licences per year.
- Eco Education B.C. — a province-wide environmental education program that offers interactive workshops across British Columbia for students in grades 4-6, independent learning resources, and an educational web site. Approximately 17,500 youth have the opportunity to participate each year.

Land and Resource Information Programs/ Land Registry Service

The ministry has a number of land and resource information programs. These programs maintain Crown land records, geographic data and resource inventories, and provide mapping and other services that are fundamental not only to delivery of the ministry mandate, but also to the delivery of public services by other ministries and non-governmental parties. The programs include Crown land registry services, Geographic Data BC, and resources inventory branch.

Crown Land

Approximately 92% of the province is Crown land. The Crown Lands Branch is responsible for making Crown land available for conservation, industrial exploration and development, recreational, residential, agricultural and community use, and supporting economic activity in the province. During the last fiscal year, 2,800 hectares were acquired primarily by the exchange of private land for Crown land.



Carmanah Provincial Park.

(photo courtesy of Heather McDonald)

BC Parks

BC Parks is responsible for the designation, management and conservation of a system of ecological reserves, provincial parks, and recreation areas located throughout the province.

Table 3.32 Areas protected and formally designated as provincial parks, recreation areas or ecological reserves

	1998/99	1999/00	2000/01
Number of areas	654	679	767
Hectares	8,467,584	9,656,818	10,370,558

BC Parks administers the environment youth team (E-Team), a program which funds diverse environment and outdoor recreation projects which provide employment opportunities for British Columbia's youth. In 2000/01, 1,370 youth were hired under E-Team programs, compared to 1,759 youth hired in the previous year.

Environmental Assessment Office

The Environmental Assessment Office (EAO) is a provincial agency that leads the assessment of major development proposals in British Columbia in the following sectors: tourism and recreation; energy; transportation; waste disposal; food processing; water management, containment and diversion; mines; and industrial.

The *Environmental Assessment Act* of June 1995, replaced three previous review processes (mines, energy and major industrial projects) and established a process for assessing the impacts of large-scale development proposals. The environmental assessment process provides a consistent, comprehensive review that balances economic, environmental and social concerns and addresses cultural, heritage and health issues. At every stage of a review, the process provides opportunities for appropriate and meaningful participation by all interested parties.

Since 1995, the EAO has certified 37 projects, 26 of which are now under construction or in operation. During 2000/01, reviews of two projects were completed and 12 projects were under active review. In addition, the EAO has been tasked with undertaking other special projects that have benefited from the EAO's expertise. These special projects have included the Burns Bog ecosystem review, the Royal Bay development proposal review and support to the *SkyTrain* commission.

Land Use Co-ordination Office

The Land Use Co-ordination Office (LUCO) coordinates development and implementation of land use plans, resolves land use issues and co-ordinates other special projects as assigned by government. The outcomes of approved land use plans are:

- resource management zones, which define where resource development can occur and to what extent;
- protected areas, which protect the natural diversity of the province and recreational features;
- agricultural lands; and
- settlement zones reflecting existing private lands.

As of March 2001, strategic land use plans have been completed for 71 per cent of the province and are underway in a further 14 per cent of the province. Protected areas cover 12.37 per cent of the province, or a total of 11,719,044 hectares[1]. During 2000/01, land and resource management plans were completed for Cassiar Iskut-Stikine, Mackenzie and Okanagan-Shuswap.

Recently, LUCO has begun to co-ordinate planning and management initiatives related to coastal and marine areas under provincial jurisdiction. In 2000, LUCO was assigned responsibility for coordinating creation of the Trans-Canada Trail, the province's first millennium project. British Columbia's section of the trail will establish a shared-use corridor as part of the 16,000 kilometre recreation ribbon stretching across Canada. Since March 2000, significant progress has been made in upgrading the trail. Completed segments during the current year included the Marie Canyon and Holt Creek Trestles. Upgrades were ongoing or completed in Penticton, Greenwood and Princeton.

British Columbia Assets and Land Corporation

British Columbia Assets and Land Corporation (BCAL) makes Crown land available for economic growth and public benefit. BCAL's activities include development, marketing and tenure of Crown land for residential, commercial, industrial, agricultural and recreational use. In the fiscal year ended March 31, 2001, BCAL managed approximately 30,000 tenures that supported approximately 24,000 jobs and $2.9 billion in economic activity, including $202 million in revenues for government. BCAL's major program areas are described below.

Land Management Division

The Land Management Division manages existing tenures and processes several thousand new tenure applications each year through more than 20 different programs from offices serving the public across the province. These programs cover a wide range of commercial uses of Crown land, including shellfish and finfish aquaculture; heli-skiing and ski resorts; commercial kayaking; marinas and docks; log handling and storage; aggregate (rock and gravel quarrying); communications sites; and commercial TV and film production.

[1] Protected areas as reported by LUCO includes sites announced during the land use planning process but not yet officially designated, and also the federal areas.

The Development and Marketing Division

The division develops, markets and sells Crown land for residential, commercial, industrial, agricultural and recreational purposes. It managed a portfolio of 1,200 to 1,300 properties.

Economic Development

Economic diversification in rural British Columbia depends heavily upon using Crown land to stimulate development in small communities and rural areas. BCAL has a key role in identifying and supporting opportunities for new economic development and diversification throughout the province.

Ministry of Forests

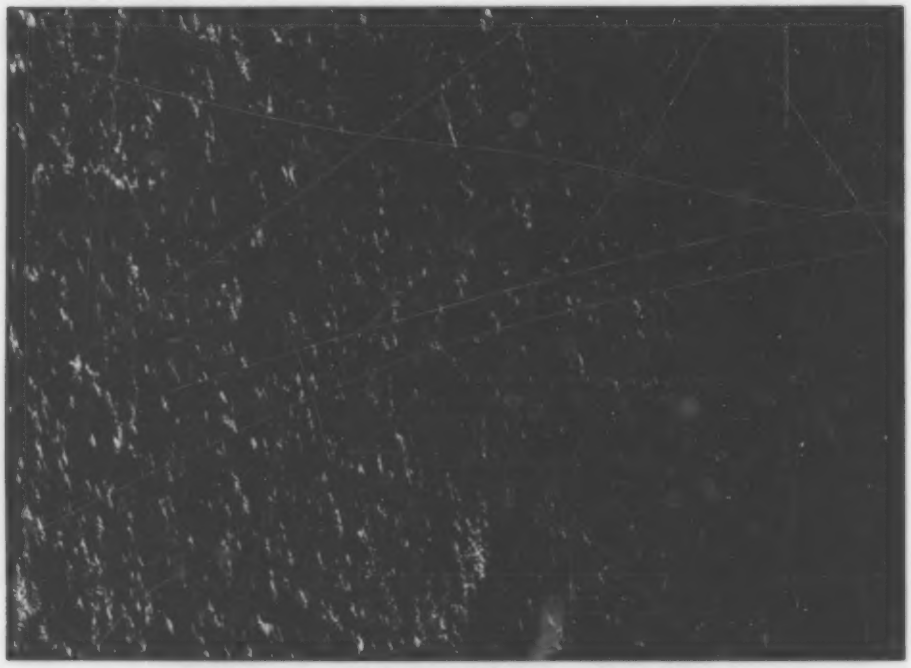
Forests cover about 60 million hectares of British Columbia's land base of 95 million hectares. Forests are vital to British Columbia, not only for the economic development and jobs, but also for recreation, drinking water, wildlife and cultural resources. The Ministry of Forests is responsible for managing and conserving the forest and range resources in a manner that balances economic, ecological and social benefits for all British Columbians. Nearly 190,000 people worked directly or indirectly in British Columbia's forest sector. Of the province's 63 regional economic areas, 41 per cent relied on forestry as their principal source of income.

Forest Management

The government has a higher degree of responsibility for forest management than most other jurisdictions in the world because it owns approximately 95 per cent of the province's forest land. The government is the steward of the timber, range and recreation usage of British Columbia's forest land, including:

- production and harvesting of timber,
- protection of wilderness areas,
- outdoor recreation,
- grazing of livestock, and
- production of forage.

The province attempts to carefully balance these various short-term and long-term uses while maintaining soil productivity, water quality, ecosystem health and bio-diversity. Every effort is made to establish sustainable levels of timber and range use to ensure that the amount of timber and forage consumed is consistent with maintaining healthy forests and range lands.



Forests cover over 60 per cent of British Columbia's land base.

Production and Harvesting of Timber

The volume of mature timber inventory as of December 2000 was 9,798 million cubic metres. Over 22.8 million hectares of Crown forest is considered commercially available for harvest. Just 0.8 per cent of the current, commercially available timber-harvesting land base is logged annually. The government is responsible for establishing allowable levels of Crown timber harvesting, setting the price of Crown timber, and collecting timber-related revenue.

The government's goal is to ensure that the public receives fair and equitable value from the use of the province's forests, over and above the costs of developing forest resources and a fair return to the commercial interests involved.

Small Business Forest Enterprise Program

The small business forest enterprise program (SBFEP) sells Crown timber to individuals and small firms. The Ministry of Forests, which manages SBFEP, constructs access roads and bridges to develop future sales, and undertakes silviculture and other forest management activities in SBFEP areas.

In 2000/01, SBFEP sold 10.7 million cubic metres of Crown timber. As of March 31, 2001, 2,803 independent firms and individuals were registered in the program, 2,287 of which were loggers and 516 timber processors. The timber processors included independent primary sawmills, shake and shingle plants, lumber manufacturers and speciality wood product producers.

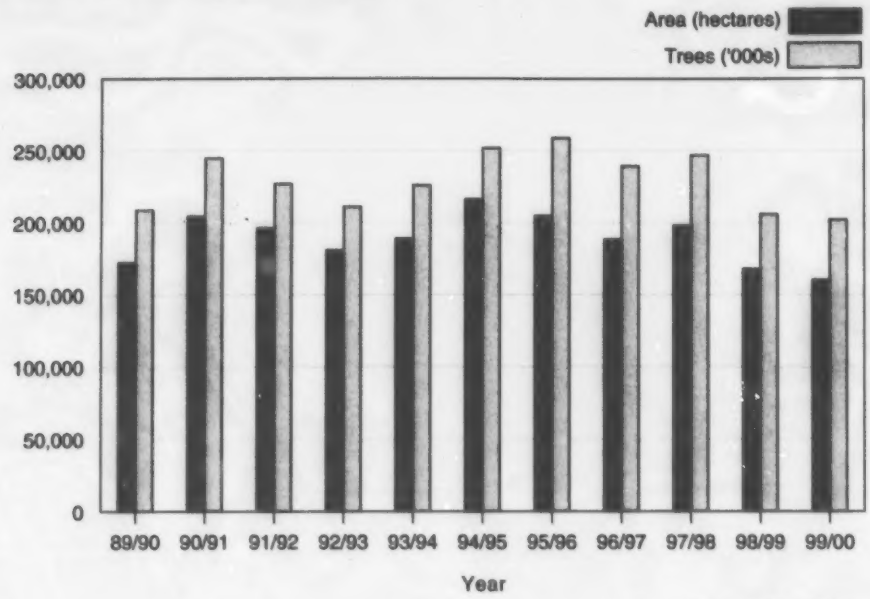
Forest Protection and Fire Suppression

In 2000, the British Columbia forest service was able to significantly limit the damage and cost of wildfires. In early August, near-drought conditions and intense thunderstorms in the southern interior started 630 lightning-caused fires in British Columbia in 15 days. About 500 fire fighters and forest service staff were involved in fighting these fires. During the year, six fires caused either tactical or cautionary evacuations of residences. In all cases fires were suppressed without significant damage or injury. In total, during the fire season 1,533 wild fires occurred, damaging 17,374 hectares. Direct fire suppression in 2000 cost $52.7 million.

Reforestation and Silviculture

By law, every square meter of harvested area is restocked with indigenous commercial tree species, either through natural regeneration or planting. The Ministry of Forests works with Forest Renewal BC to ensure cost efficient and effective planning and implementation of reforestation, enhanced silviculture, and tree improvement. Total annual silviculture expenditures in British Columbia are estimated to be about $300 million with $150 million attributable to industry expenditures, $50 million to the small business forest enterprise program and $100 million to Forest Renewal BC. More than 200 million seedlings are planted each year. In 1990/00, the most recent year for which full year data is available, over 161,000 hectares were planted. The amount of land planted peaked in 1994/95 and has been gradually decreasing since then.

Chart 3.13 Planting on Crown Land



Source: Ministry of Forests

Forest Renewal BC

Forest Renewal BC (FRBC), a Crown corporation, was created with the *Forest Renewal Act* in 1994 to renew the forest sector of the province. FRBC was responsible for:

- improving forest management of Crown lands,
- supporting training for displaced forestry workers,
- promoting enhanced community and First Nations involvement in the forestry sector, and
- promoting the expansion of the value added forest product industry.

FRBC worked with a broad array of partners across the province to build a more diversified and sustainable forest economy to support local communities, workers and their families. Through these partners FRBC made strategic investments to renew the Crown's forests, improve the province's knowledge of viable forest management techniques, and support forest dependent communities and workers. FRBC was funded from the stumpage fee paid by the forest companies.

The highlights of FRBC's progress in achieving its strategic objectives are provided below.

- *Production of faster-growing higher-quality stands of second-growth timber* — The 1999-03 five-year target is to increase the volume of timber available for potential harvest by 25 million cubic metres. In 2000/01, FRBC exceeded its annual target of 5 million cubic metres, and the target of 10 million cubic metres during the last two years.

Table 3.33 Sustainable Harvest

	1999/00	2000/01
Forestry enhancement (fertilizing, pruning, thinning, etc.) (hectares)	53,956	26,290
Reduction in backlog silviculture (mainly planting and brushing) (hectares)	41,705	40,201

Major license holders act as delivery agents of these projects and the resource ministries, under contract with FRBC, monitor them for compliance with regulations.

- *Restoration of forest watersheds, and the promotion of environmental stewardship and strong environmental values in British Columbia's forests* — The 1999-2003 five-year, target is the restoration of 20 per cent of the highest priority watersheds. Working with its partners FRBC has identified the 157 (20 per cent) of the highest priority watersheds. By March 31, 2001 eight watersheds have been rehabilitated and the restoration planning completed for 85.

Table 3.34 Enhanced Environmental Values

	1999/00	2000/01
Road deactivated/rehabilitated (km)	2,909	3,802
In-stream and off-channel rehabilitation (km)	442	481

Major license holders act as delivery agents of these projects and the resource ministries, under contract with FRBC, monitor the work for compliance with regulations.

- *Development of useable and timely information required for sustainable forest management* — Identifying and filling the knowledge gap is crucial for more sustainable forest management and increased environmental certification of forest products.

Table 3.35 Forest Management Information Developed

	1999/00	2000/01
Fish stream inventoried (km)	79,600	38,842
Wild life habitat inventoried (000's of hectares)	24,500	16,516
Vegetation inventoried (000's of hectares)	11,400	6,619

- *Strengthen and expand British Columbia's value-added sector* — FRBC promoted the diversification and strengthening of secondary and tertiary value added forest products industries through assistance in the areas of marketing, application of technology, access to financing and skills training. During 2000/01, FRBC's marketing initiatives to create more demand for British Columbia's wood products, and investments to improve market access and product opportunities resulted in increased sales of $47 million for the secondary wood manufacturing industry and $81 million for the primary industry. Further, 15,300 person days of training was provided to value-added workers and managers during the year.
- *Re-employment services to long-term forest sector workers who are facing permanent displacement* — The forest worker re-employment services program provided incremental assistance to displaced forestry workers in their re-employment efforts. The goal of this program was to help permanently displaced forest workers return to work, either within or outside of the forest industry, as quickly as possible. Assistance provided included short-term financial assistance, relocation assistance, career counselling and training. An independent survey indicated that approximately 71 per cent of the clients of the program expressed overall satisfaction with the program and 84 per cent found that the program helped them meet their employment goals.

Table 3.36 Support to Forest Workers Through Transition

	1999/00	2000/01
Total number of displaced forest workers assisted	4,132	600
Number of forest workers receiving training	4,332	126

Since its inception of FRBC in 1994, 16,000 forest workers have been trained through forest renewal investments and another 8,600 received financial assistance.

- *Support to forest-dependent communities facing significant forest sector job loss, to stabilize and diversify their economies, and to increase First Nations' participation in the forest sector* — During 2000/01, FRBC assisted 48 forest-dependent communities to increase economic diversification and employment. Also, 343 businesses were assisted and 56 joint ventures/ partnerships started. Since its inception, FRBC has helped more than 1,000 small business ventures and financed the establishment of more than 90 joint ventures.

In 2000/01, First Nations accounted for approximately 6.9 per cent of investments and 12 per cent of the people employed through FRBC, compared to the targets of 7 per cent and 12 per cent respectively. 54 of the 56 new joint ventures/partnerships started during the year were between First Nations and logging, road building, silviculture and value added manufacturing businesses.

552513 British Columbia Ltd. (Skeena Cellulose)

552513 British Columbia Ltd. (552513) is a holding company created in 1997 to hold and manage the province's investment in Skeena Cellulose Inc. (Skeena), including its share ownership of Skeena (71 per cent at March 31, 2001), and to provide the financing required under Skeena's 1998 restructuring plan to upgrade the company's Prince Rupert pulp mill operation (Capex Loan). The government's investment in Skeena, through 552513, and subsequent participation in the financial restructuring of the company, assisted to maintain Skeena's operations in the Northwest region of the province, where many workers, families and communities depend on Skeena for their livelihood.

During 2000/01, 552513 disbursed $53.6 million of the Capex Loan proceeds to Skeena to complete a substantial portion of the upgrade program for the pulp mill. The Capex Loan and completion of upgrades to the pulp mill assisted Skeena to maintain ongoing operations. During the fiscal year ended March 31, 2001, Skeena employed on average 1,165 direct full-time workers at the company's pulp mill, four sawmills and woodlands operations.

During the year, 552513 continued to manage the province's investment in Skeena, including ongoing efforts to sell the company to private industry.

Ministry of Energy and Mines

The Ministry of Energy and Mines facilitates the development of sustainable and competitive energy and mineral resource industries for the benefit of British Columbians. The following are the major activity areas of the ministry.

Mineral, Oil and Gas Rights

The ministry issues Crown oil, gas and mineral rights for exploration and development. It maintains, and makes available to the public, records and maps that indicate areas available for location and acquisition of title as well as the location and status of mineral, oil and gas and coal titles already acquired under the *Mineral Tenure Act*, the *Petroleum and Natural Gas Act* and the *Coal Act*. During the year, the sale of new oil and gas rights fetched record revenue of $418 million, and the administration of the existing oil and gas tenures generated $48 million.

Development of Energy and Mineral Resources

2000/01 saw unprecedented growth in the development of oil and gas resources in the province. In addition to the sale of oil and gas rights, the province realized a further $1.25 billion in natural gas royalties and $136 million in oil royalties. In order to facilitate the development of the oil and gas industry, the province continued its six-year $103 million road rehabilitation program in the Northeast.

The mining industry continued to experience significant challenges, particularly low commodity prices, despite which some 28,000 new claim units were registered. Mineral exploration spending showed a drop from $41.3 million in 1999 to approximately $35 million in 2000. The ministry participated in the Job Protection Commission's plan to keep the Endako Mine viable through periods of severely low commodity prices.

Protection of Public and Worker Health and Safety

The ministry is responsible for administering and enforcing regulations to ensure the health and safety of persons employed in the mining industry. It conducts workplace inspections and audits; enforces compliance with the Health, Safety and Reclamation Code for mines; and investigates accidents or dangerous occurrences. Upon cessation of mining, the ministry ensures that the mines are closed in a manner consistent with sound environmental and public safety standards.

Assessment, Levy and Collection of Revenue

The ministry assesses and collects royalties, levies and fees on petroleum, natural gas and mining activities in British Columbia.

Geoscience

The ministry provides geoscience expertise, data and products to assist government's stewardship of the province's mineral resources, and to help manage and protect Crown land. In addition, geological analysis, advice, and information required in the exploration and development of the province's energy and mineral resources are provided. During the year, 255,000 hectares were geologically surveyed and 45 new geological reports and maps were released.

Columbia River Treaty

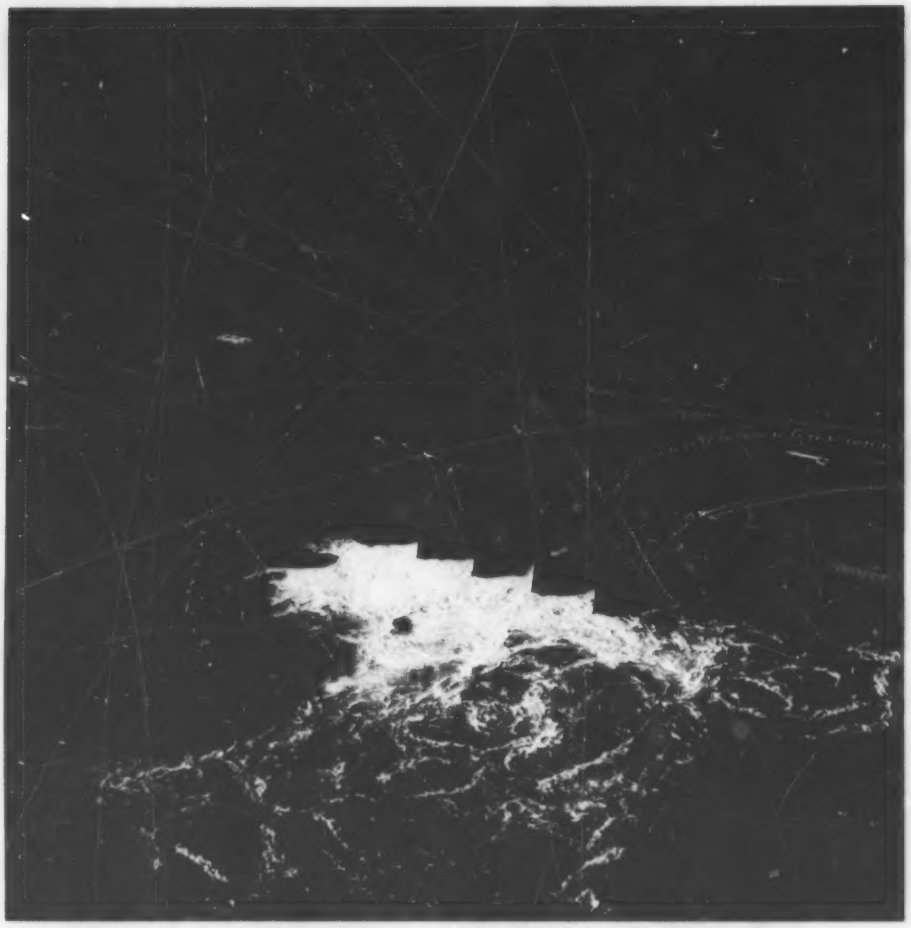
The Columbia River Treaty between Canada and the US required that three dams — Duncan, Keenleyside and Mica — be built in British Columbia to control floods and increase hydroelectric power generating potential in both countries. Canada's half of the extra power produced in the US as a result of the treaty, called the "downstream benefits," was sold to a group of US utilities for 30-year periods beginning with the scheduled completion of each of the three treaty dams in British Columbia.

This share, known as the "Canadian Entitlement", is owned by British Columbia. In 1998, nine per cent of the power entitlement was returned to British Columbia with the 30th anniversary of the scheduled completion of the Duncan Dam. In 1999, 46 per cent was returned with the 30th anniversary of Keenleyside's completion and in 2003, the remaining 45 per cent will be returned on Mica's anniversary.

In February 2000, the Canadian and US operating entities under the Columbia River Treaty signed the Libby Co-ordination Agreement (LCA). The LCA, while in effect, settles the dispute between Canada and the US over the latter's unilateral change to the operation of the Libby project for non-power requirements. The LCA enables the Canadian operating entity to offset past and expected future power losses with no significant cost to the US and includes provisions that help mitigate Canadian fish and recreation impacts.

The province generates significant revenues from the sale of the Canadian Entitlement. In the 2000/01 fiscal year, revenues were $632 million, approximately 600 per cent higher than originally forecast due to the dramatic increase in market prices for electricity that prevailed through most of the year.

Through the *Power for Jobs Development Act*, a portion of the Canadian Entitlement was made available to industries to create and preserve jobs in British Columbia. During 2000/01, one Order in Council for Power for Jobs Agreement was issued. Out of the seven Orders in Council for Power for Jobs Agreements issued so far, six were in operation as of March 31, 2001. Total new or maintained jobs under Power for Jobs agreements were estimated to exceed 1,500 over the next 10 years.



The Hugh Keenleyside Dam, 8 km upstream from Castlegar.
(photo courtesy of BC Hydro)

Columbia Basin Trust

The Columbia Basin Trust (Trust) was created by the *Columbia Basin Trust Act* in 1995 to ensure that the benefits derived from the Columbia River Treaty help to create, in the region most adversely affected, a prosperous economy in a healthy, renewed natural environment.

The Trust endowment consists of power project construction financing of $250 million and a regional benefit program payment of $45 million, for a total endowment of $295 million. The province has contributed the $250 million through its agent, Columbia Power Corporation (CPC), for power project investments that are made jointly and equally with the Trust. The Trust's portion ($250 million) is being received in instalments from April 1, 2001, to April 1, 2005. The regional benefit program payment of $45 million was received as a lump sum on April 1, 1996, and all of it is being used for non-power investments.

Power projects of the Trust through its subsidiary CBT Energy Inc., in partnership with the Columbia Power Corporation (CPC), are discussed under the CPC section of this chapter. These energy projects will provide additional power for the province and additional income to the people of the Columbia River Basin through their share of the power project income.

The investment income from the regional benefit program payment of $45 million and the Trust's share of the income from the power project investments is used to deliver ongoing benefits to the Basin and its residents in the areas of social well being, economic development and preservation, protection and enhancement of the environment.

Ministry of Agriculture, Food and Fisheries

The Ministry of Agriculture, Food and Fisheries is responsible for agri-food and fishery industrial development, resource management, and agriculture risk management. The provincial government through the ministry promotes value-added initiatives, competitiveness and investment, so that the industry is able to achieve greater profitability and create sustainable jobs for British Columbians. The resource management programs support the maintenance and protection of agricultural land and water and fishery resources. The risk management programs support income stabilization for farmers.

Agri-food

The British Columbia agriculture industry is the most diverse agriculture industry in Canada, producing more than 200 commodities under a wide range of conditions from nearly 22,000 farms. Sales of primary agriculture products are about $2.1 billion annually. The majority (52 per cent) is from sales of livestock products, with the remainder from crops and other sources. British Columbia recently led the nation in the production of greenhouse peppers, cranberries, raspberries and ginseng, and the four commodities accounted for more than 50 per cent of Canada's marketed production of these commodities. Farmers exported $600 million of their $2.1 billion production, and processors exported $1.6 billion of their $4.2 billion production (excluding fish).

There were over 26,000 jobs involved in the primary agriculture sector and nearly 22,000 jobs in the value-added and processing sector. The processing sector included over 1,200 small-to-large firms, and a growing number of microprocessors. Overall, food and beverage processing represented the third largest goods manufacturing industry in British Columbia (based on value of shipments) after paper/allied and wood manufacturing.

The agri-food industry development program area included the following programs:

- The Agri-Food Futures Fund, jointly financed by the provincial and federal governments, assists the industry sectors to manage and finance their own development activities including research, technology development and transfer, environmental management and training.
- The BC Investment Agriculture Foundation delivers agricultural development programs funded by the federal and provincial governments in partnership with industry.
- The Feeder Associations Loan Guarantee Program encourages the raising of British Columbia cattle and sheep within the province instead of exporting them to feedlots outside of the province. In 2000/01, 15 cooperative associations purchased more than 26,000 feeder cattle, and 4,200 breeding cattle.
- Through the Skills Development and Agricultural Education program, the ministry provides up-to-date farm management, production and marketing information to growers through seminars, workshops, print and visual materials, as well as through

Infobasket, an Internet-based service designed specifically for farmers to access information directly related to their operation.

- The veterinary laboratory helps producers and veterinarians by diagnosing, monitoring, controlling and assisting in the prevention of animal disease. About 5,000 diagnostic submissions involving about 250,000 tests are completed each year. In 2000/01, the plant diagnostic laboratory evaluated 684 plant submissions and delivered corresponding advice and plant management programs to commercial growers.

British Columbia Marketing Board

The British Columbia Marketing Board (BCMB) is responsible for the supervision of the 11 provincial agricultural marketing boards. This independent administrative tribunal also hears appeals from producers aggrieved by the actions of a marketing board. During 2000/01, BCMB:

- carried out an extensive supervisory review on the allocation of egg quotas and directed that programs be put in place to provide access to quota for new entrants, speciality and regional production and to improve the transparency of quota transfers;
- worked with the milk industry to put in place a federal/provincial agreement that provides British Columbia with more favourable treatment and a larger portion of the national manufactured milk supply;
- continued its work with the chicken industry that resulted in an improved regulatory structure and the development of federal/provincial agreement that was signed by all parties in June 2001; and
- administered 53 appeals including 28 new appeals.

Farm Practices Board

The Farm Practices Board is responsible for hearing complaints from persons aggrieved by odour, noise, dust or other disturbances arising from farm operations and may review any matter related to farm practices. This independent administrative tribunal is comprised primarily of British Columbia Marketing Board members and staff. In 2000/01, the Farm Practices Board administered five complaints concerning farm practices, and conducted reviews on specific farm practices issues.

Income and Price Stabilization

The agricultural risk management program area includes the following programs.

- In 2000/01, the crop insurance program protected over 2,500 farmers producing more than 33 major crops valued at more than $350 million. It delivered 6,605 contracts, provided $251 million in insurance coverage, and realized premium revenues of $14.7 million.
- The whole farm insurance program provides income support to farmers when, for reasons beyond their control, there is an extreme reduction in their net farm income. In 2000/01, this program paid $13.8 million on 395 claims, responded to market collapses in hogs and cranberries, and provided significant support to the grain, hog and tree fruit sectors.
- The Net Income Stabilization Account program helps farmers save some of their income during good years and draw against it in later years when experiencing losses.

Resource Management

The resource management program area includes the following programs.

- The agriculture environment partnership initiative, launched in 2000/01, helps British Columbia farmers and ranchers partially offset the costs associated with voluntary environmental stewardship, including the costs of wildlife damage to farm operations and production.
- The Grazing Enhancement Fund program is a provincial land use planning initiative to enhance long-term economic and environmental sustainability of grazing resources in British Columbia.

Fisheries and Aquaculture Operations

In 2000, seafood was the province's number one food export with an export value of $903 million shipped to more than 45 countries. British Columbia seafood products are derived from over 80 different species of finfish, shellfish and plants from the marine environment mainly, as well as freshwater sources. The landed value of wild capture and farmed fish in 2000 was an estimated $640 million. The wholesale value of seafood products derived from these averaged about $1 billion annually with farmed and wild salmon making up about half the total. The remainder is made up of herring, halibut, sablefish, groundfish, shellfish and other species. The seafood-processing sector has maintained its wholesale value in part by diversifying its production from primary processing to secondary, value-added products. The recent downturn in some traditional fisheries has seen the processing sector import primary processed wild and farmed salmon from offshore to support their secondary processing activities. Improved productivity and product quality and diversification into new species have helped industry maintain its production and wholesale value.

The overall fisheries and aquaculture industry, with the sport fishing sector included, employed over 16,000 people in full and part-time positions coast-wide. There were over 2,000 jobs in primary and value-added processing at 190 seafood processing plants in the province. The aquaculture industry employed an estimated 3,400 workers and the wild harvest sector employed over 4,500 persons on over 3,400 vessels. Together the fresh and salt water sport fisheries sector generated more than 6,000 jobs.

The Fisheries and Aquaculture Division is directly responsible for the management of the freshwater recreational fisheries, aquaculture activities, marine plant harvesting and for the regulation of the sale, inspection and processing of fish. The Division facilitates development of the commercial fisheries and aquaculture industries by working in close partnership with Fisheries and Oceans Canada and industry client groups to encourage a competitive, environmentally-sustainable and socially-responsible seafood industry. Major program areas included:

- Aquaculture development manages and coordinates the development of finfish, shellfish and marine plant aquaculture.
- Seafood development creates development and diversification opportunities in the fisheries sector by promoting new product development, technology transfer, utilization of new and under-utilized species, and skill development in cooperation with industry partners and the federal government. The program also identifies research priorities (new species, fish health, rearing technologies, improved environmental performance, etc.) and supports the development of research and development capacity.
- Licensing and enforcement undertakes the licensing and enforcement activities associated with aquaculture, fish buying and processing, and wild oyster and marine plant harvests.

Fisheries Renewal BC

Fisheries Renewal BC (FsRBC) was a Crown corporation, created in 1997 to help communities adapt to the changes in the fishery by helping renew fish stocks and habitat, supporting endeavours that add value to existing catches and developing new fishing opportunities to create more jobs.

The Salmonid Renewal Program

The objective of this fish habitat program is to enhance wild fish stocks, restore habitat and promote public awareness of the need to work together to renew the provincial fisheries. This program is delivered through a network of 24 regional, non-profit, community and watershed partnership groups that covers more than two-thirds of British Columbia. During 2000/01, 486 projects were funded and this work created an estimated 2,771 jobs.

The Urban Salmon Habitat Program

This program has the goal of protecting and restoring wild salmon and other salmonoid stocks and habitats in the Georgia Basin.

Economic Development Programs

FsRBC's economic development programs included:

- Development and diversification program — new ideas leading to sustainable businesses, jobs and year-round fisheries work;
- the planning and partnerships program — bringing together groups and individuals with a shared interest in renewing the fisheries, and assist them in developing effective working partnerships; and
- original renewal ideas program — supports creative, innovative, cost effective activities that support FsRBC's strategic priorities.

Table 3.37 Three Year Performance Trends — Fisheries Renewal BC

	1998/99	1999/00	2000/01
Job creation contributions (estimated)	1,631	2,879	3,014
Juvenile salmonoids released (millions)	9.8	28.5	36.2
Habitat restored (kilometres)	53	224	296
Stock and aquatic habitat assessed (kilometres)	1,027	2,917	4,023

Okanagan Valley Tree Fruit Authority

The Okanagan Valley Tree Fruit Authority (OVTFA) is a Crown corporation established to ensure an efficient and co-ordinated approach to the revitalisation of the Interior tree fruit industry. The OVTFA mandate was extended through to March 31, 2006, with a funding commitment of $25 million.

The OVTFA's main program is orchard renovation that includes a replant financial assistance program to assist growers to replant their orchards to higher density varieties that provide higher rates of return. A total of 635 acres was replanted representing an investment of approximately $9.5 million in orchard revitalisation. The OVTFA is also the lead provincial agency for the Sterile Insect Release Program (SIR). SIR is administered by the five regional districts representing the interior apple production regions and is designed to eliminate the codling moth, the most invasive pest of apple and pear production. In 2000/01, the program was in the final stages of full implementation, and it had reduced the use of organophosphate pesticides by 65,000 kilograms (77 per cent) to date.

Economic Development

Ministry of Employment and Investment

The Ministry of Employment and Investment fostered investment, economic development and job creation, and it had two major program areas in 2000/01:

- B.C. Trade and Investment Office is responsible for activities intended to stimulate provincial economic growth through export development, investment facilitation and business expansion.
- The Economic Development Division is responsible for providing analysis and strategy for trade and economic issues and electricity development, and is responsible for federal/provincial programs targeting economic development.

Call Centre Initiative

Working through Lynx BC, a public/private partnership with Telus and several communities, the ministry promoted British Columbia as an attractive location for call centres. Lynx BC attracted three new call centres to British Columbia during 2000/01, Excell Agent Services in Penticton (500 jobs), RMH Teleservices in Nanaimo (800 jobs) and Stream International Inc. in Chilliwack (700 jobs).

Job Protection Commission

The Job Protection Commission operates at arms length from the government providing consultation and mediation services to businesses which have economic significance to the community or region, but are experiencing temporary financial problems and are in danger of reducing operations or closing. During 2000, the Commission received 97 inquiries resulting in 45 projects, and helped maintain 12,783 jobs and save 1,595 jobs.

Business Immigration

This program promotes business immigration to British Columbia. During the year 50 pre-immigration marketing seminars were held, and counselling assistance was provided to 500 prospective immigrants, and post immigration settlement services to 300 business immigrants. In 2000, British Columbia attracted 28.5 per cent of total entrepreneur immigrants to Canada and 27.6 per cent of investor immigrants. In comparison, British Columbia's share of Canada's population is only 13.2 per cent. However, since 1996, British Columbia's business immigrant share has been declining, primarily due to competition from Ontario and Quebec.

Table 3.38 British Columbia's Share of Business Immigration

Year	Immigrant Entrepreneurs	Immigrant Investors
1995	30.7%	58.8%
1996	35.5%	55.8%
1997	32.1%	40.3%
1998	29.0%	35.3%
1999	30.3%	34.7%
2000	28.5%	27.6%

International Trade and Investment Missions

The role of this program is to expand trade particularly with Asia, the Americas and Europe. It facilitates introductions for visiting foreign delegations and organizes outbound missions for British Columbia's business people. During the year, the ministry co-ordinated 140 incoming and outgoing international missions.

Canada/ British Columbia Infrastructure Programs

Supporting the development of critical infrastructure is a priority for the government. The ministry negotiated the new Canada/British Columbia Infrastructure Program which will invest over $800 million in public infrastructure across British Columbia, over six years. The agreement was signed in October 2000.

Renewable Energy Technology

The role of this program is to promote and expand alternative energy sources. Two small hydroelectric projects were in early stages of construction: Miller Creek near Pemberton and Pingston Creek near Revelstoke. Several other projects were in the approval process.

Science Council of British Columbia

The Science Council of British Columbia is an agency of the Government of British Columbia promoting economic development and enhancing the quality of life in British Columbia through the innovative application of science and technology. Its programs and initiatives provide research assistance, help launch development of products, build infrastructure, encourage international technology transfer, promote education and job training, and foster public awareness of science and technology. Major program areas of the Science Council are described below.

Research Funding Support

This program area accounted for 79 per cent of the 2000/01 expenditures, and included the following activity areas:

- Forest Renewal BC research program (delivered under contract for Forest Renewal BC);
- Technology BC research support program (funded through the provincial Science and Technology Fund); and
- BC Science & Technology Infrastructure Program (administered by the Science Council and funded through an endowment managed by the Discovery Foundation).

Scholarships

This program area accounted for five per cent of the 2000/01 expenditures and included the following activity areas:

- GREAT (graduate research engineering and technology) scholarships, funded from the Science Council's core budget; and
- IBM undergraduate scholarships (delivered under contract with IBM Canada).

Funding has been declining in recent years. As a result, the Science Council is implementing a plan to reduce its base operation expenditures.

B.C. Pavilion Corporation

B.C. Pavilion Corporation (PavCo) owns and operates BC Place Stadium, Bridge Studios and Tradex at the Abbotsford airport, and operates the Vancouver Convention & Exhibition Centre under a separate agreement. It provides space for conventions, trade and consumer shows, film production, sporting events and a variety of other special events. In addition, Meetings BC has been established to assist communities in the development of their meeting and incentive travel economy. PavCo's Robson Square Conference Centre closed at the end of 2000 due to the termination of its lease.

Ministry of Small Business, Tourism and Culture

In 2000/01, the Ministry of Small Business, Tourism and Culture promoted and supported small business, tourism, arts, culture, heritage, recreation, sport, film and the Royal British Columbia Museum. It helped to diversify and strengthen the economic base of the communities around the province, and strengthen them culturally.

Small Business Branch

The branch supported existing and prospective small businesses in start-up, management and expansion by providing information, services and resources including web-based materials and transactions. The branch acted as a champion of small business across government, and promoted reduction of red tape and deregulation.

Canada/ British Columbia Business Service Centre

The Canada/British Columbia Business Service Centre provides information on starting a new business, entering new markets, accessing government programs and services, taxation and regulations. The centre offers a 24-hour fax-back service and online services that include the interactive business planner, the interactive export planner and an on-line small-business workshop. Taxation and statistics specialists and guest business advisors are also available to provide business planning and financing advice. During the year, the centre handled more than 860,000 enquiries.

One-Stop Business Registration

Regional One-Stop centres allow entrepreneurs who are registering a business to complete all necessary government forms at one time, at one computer terminal, saving both the client and government time and money. The ministry opened 18 new One-Stop locations this year, making available to the public a total of 77 locations throughout the province, in partnership with all levels of government and local

chambers of commerce. In 2000/01, 9,905 people used this free service to complete 23,334 forms — an increase of 17 per cent and 9 per cent respectively from the previous year.

The ministry also added One-Stop municipal business licence applications to One-Stop in March 2001 with 20 municipalities across the province, including a common business licence application form for One-Stop use.

Single Business Number Initiative

During 2000/01, the Small Business Branch commenced work on the cross-government, inter-jurisdictional "Single Business Number" project which will provide a common identifier across all provincial and federal agencies in British Columbia, to reduce red tape. When fully implemented, this initiative will result in the adoption of a single business number as a common identifier across multiple levels of government.

Youth Business and Entrepreneurship Training Program (YouBET!)

The youth business and entrepreneurship training program (YouBET!) introduced and provided entrepreneurship training to more than 1,400 participants in communities throughout the province. YouBET! also offered new sector-specific entrepreneurship training to aboriginal youth, young entrepreneurs in the film, new media, arts, and culture industries, and young entrepreneurs interested in pooling their resources to start a co-operative business venture. The visions for the future program also introduced entrepreneurship and career opportunities in growth sectors to more than 2,900 aboriginal youth across British Columbia.

Business Investment Branch

The Business Investment Branch promotes the investment of risk capital in small and medium-sized businesses by providing tax-credits for investors through the equity capital program, the community venture capital program, the green venture capital program, the employee share ownership program and the Working Opportunity Fund. The branch also works to support the business sector through policy and legislation, education and training initiatives. The branch's programs support the development of small business by addressing the difficulties faced by business in obtaining financing for start-up or expansion. The branch also assists businesses to attract and retain skilled employees by providing tax credits to employee investors.

Table 3.39 Highlights of Business Investment Programs

2000/01	Number of Businesses Served	Capital Raised (millions)	Capital Invested (millions)	Number of Investors
Venture capital programs	61	$29	$28	1,520
Employee share ownership program	30	$1.5	$1.5	3,500
Working Opportunity Fund	42	$80	$60	16,000

Government Agents

In 2000/01, government agents offices were located in 59 communities across the province, where they provided the public with integrated access to provincial government services and information. On behalf of client agencies the Government Agents Branch (GAB) collected $1.2 billion in provincial revenues. GAB handled 1.2 million customer enquiries and $2.6 million in revenue transactions. During the year GAB improved and expanded services delivered to the public and businesses by moving from paper to electronic applications for gaming licenses and safety engineering services permits, and adding more OneStop business registration kiosks to government agents offices. Ninety four per cent of government agent customers surveyed in March 2001 reported being either "extremely satisfied" or "somewhat satisfied" with the service they received.

Some of the services offered through government agents are:

- B.C. student loan applications (new service);
- liquor licence applications (new service);
- safety engineering services permits;
- drivers' licences and renewals;
- registration and certification of vital statistics information (marriages, births, deaths, name changes, will searches);
- hunting and fishing licences and regulations;
- taking of affidavits;
- information concerning landlord/tenant matters;
- a place to make payments to the province, including court and other fines;
- access to databases through British Columbia OnLine (land titles, personal property and corporate registries); and
- access to information on consumer tax, land tax, mining claims and registration, Medical Services Plan, Crown lands and the small business database.

Nineteen of the fifty-nine government agents offices were access centres. To serve citizens better, these centres group together staff from various ministries in the community to efficiently deliver "one-stop shopping" for government services. This "common counter" approach provides improved access for British Columbians to a number of widely used programs. A complete list of government agents is in Appendix 3.2.

Tourism British Columbia

Tourism British Columbia is a Crown corporation that works closely with British Columbia's tourism industry to promote and develop tourism in the province and to ensure the continued long-term growth and prosperity of the industry. The corporation, funded through a percentage of the provincial tax on hotel rooms, markets British Columbia to consumers and the travel industry through a variety of joint marketing and promotional campaigns in countries around the world.

Cruise ship passing under the Lion's Gate Bridge heading into Burrard Inlet.
(photo courtesy of Tourism BC)

British Columbia's tourism industry growth in 2000 resulted in another record year. A total of 22.4 million overnight visitors, 1.6 per cent increase over the previous year, generated $9.5 billion in revenue. This was an increase in revenue of over three per cent compared to 1999, reflecting the steady growth trend experienced over the past five years.

Table 3.40 Tourism Revenue Breakdown — 2000

	Market Share	2000 Overnight Visitor Revenue to B.C. ($ millions)
BC	26.2%	2,476
Canada	30.0%	2,834
Sub total domestic	56.2%	5,310
US & Mexico	25.0%	2,365
Asia/Pacific	10.4%	986
Europe	7.5%	713
Other overseas	0.8%	79
Sub total exports	43.8%	4,143
Total	100.0%	9,453

Export earnings of tourism at $4.1 billion in 2000, ranked third behind wood products and energy exports. The industry continued to rank as one of the top contributors to the provincial economy, with 17,100 tourism-related businesses and 110,780 people employed in jobs directly related to tourism in 1999. The economic benefits were well distributed throughout British Columbia.

Table 3.41 British Columbia 's Tourism Industry Trend

Year	Overnight Visitor Volume (000s)	Overnight Visitor Revenue ($ millions)	Accommodation Revenue ($ millions)	Direct Tourism Employment
1995	20,719	7,678	999	104,320
1996	21,142	8,314	1,093	107,660
1997	21,356	8,510	1,158	110,850
1998	21,796	8,771	1,206	109,490
1999	22,097	9,123	1,329	110,780
2000	22,445	9,453	1,442	NA
Increase from 1995 to 2000	8.3%	23.1%	44.3%	6.2% (1995 to 1999 increase only)

Pacific National Exhibition

The Pacific National Exhibition (PNE) is a Crown corporation consisting of three business streams. They are the fair, Playland and year-round facility sales and events. In 2000, fair attendance topped one million visitors, generating nearly $20 million dollars in revenue. Revenues of Playland, a family amusement park, were approximately $6.6 million, based on attendance figures of approximately 286,000 visitors. In PNE's versatile facilities, over 1,400 event days took place including trade and consumer shows and conventions attracting over 3 million visitors, and generating approximately $4.5 million in revenue. PNE is one of the largest employers of youth in the province, employing 4,000 people of whom 2,600 are youth. It generates approximately $150 million in direct and indirect economic spin-offs yearly, requires

no annual funding from provincial or municipal tax revenue and offers a unique contribution to tourism.

Ministry of Community Development, Cooperatives and Volunteers

The Ministry of Community Development, Cooperatives and Volunteers had the mandate to support community development initiatives in British Columbia. During 2000/01, the ministry's activities included:

- providing matching funds for community projects through the community enterprise program;
- providing financial support to projects involving cooperative societies through the co-op advantage program;
- providing financial support to projects that support the work of volunteer organizations; and
- the BladeRunners program, a wage subsidy program that provides at-risk youth with work experience and training in construction and related trades.

British Columbia Community Financial Services Corporation — Four Corners

Created in 1994, Four Corners is a community financial institution located in Vancouver's downtown eastside. Four Corners provides a full range of financial and related services and encourages and facilitates the use of these services by members of the community who:

- are under-serviced by existing financial services;
- are in a state of suffering, neglect or poverty; or
- share and promote the principles, goals and purposes of Four Corners.

The services provided by Four Corners include: basic retail banking services, consumer/commercial lending, and photo identification services.

Four Corners' staff spend sufficient time with customers to ensure they receive the support they need to properly access the institution's services. Staff also offers customers financial advice or guidance on an informal basis. They supply referrals to, and information about, the shelter, food and health services available from community agencies.

Table 3.42 Activity Levels in 2000/01

Number of account holders	5,532
New accounts in 2000/01	556
Market share of downtown east side[1]	25%
Total deposits	$22.5 million
Total loans	$5.5 million

[1] 25% of the adult population in the downtown eastside.

Ministry of Finance and Corporate Relations

The Ministry of Finance and Corporate Relations plays a central role in supporting fiscal policy and in managing public funds. In 2001/01, the ministry was the government's primary tax collector, banker, money manager, chief accountant, fiscal policy maker, budget and expenditure manager, streamlining initiative co-ordinator and corporate and personal property registrar. Through agencies and Crown corporations that report to the minister, it regulated credit unions, trust companies and insurance companies operating in British Columbia, and the province's securities market, administered public sector pension plans and managed public sector investments.

Treasury Board Staff

Treasury Board Staff (TBS) provides analysis, forecasts and advice to Treasury Board (the cabinet committee responsible for budget and management matters) and to the Minister of Finance and Corporate Relations on the province's fiscal policy, tax policy, financial outlook, and operating and capital budget issues. TBS is responsible for the preparation of the *Estimates*, *Budget Reports*, monitoring the status of the budget during the year, and the review of requests for additional operating and capital funding. In addition, it ensures implementation of the provisions of the *Budget Transparency and Accountability Act*. The Capital Division of TBS prepares the province's annual capital plan.

Provincial Treasury

Provincial Treasury, through its five branches, looks after British Columbia's borrowing and financing needs and manages banking and cash. It also reduces financial risks faced by the government and its operations and provides financial and corporate sector policy advice. Its key functions and responsibilities include the following.

- Ensures the borrowing needs of the provincial government and its agencies are met. It is responsible for delivering the lowest cost financing, with acceptable risk levels, from capital markets, and for investor relations.
- Provides banking, cash management and electronic banking services to over 120 clients, including ministries, Crown corporations and government agencies.
- Develops and manages comprehensive risk management programs, primarily financed through self-insurance, to minimize risks the provincial public sector faces through its programs, operations and assets, including public education and health care, Crown corporations and other public entities.

Government Services and Registries

Purchasing, printing and publishing, intellectual property licensing, mail processing, surplus asset disposal, and storage and distribution are among the diverse services the Government Services and Registries Division provides for government ministries and some public-sector agencies. It also maintains reliable and accessible corporate and personal property registries and gathers and analyses statistics on the economic, social, business and demographic conditions of the province and its people.

Purchasing Commission operates BC Bid(®) (www.BCbid.ca) as government's primary bid notification method to suppliers. An automated bid notification service was added for interested suppliers (approximately 3,500 registered) to enhance open competition from suppliers.

BC Connects (www.BCconnects.gov.bc.ca) was implemented in 2001 to provide a single portal access to government services available on the Internet.

BC Stats is the government's source of economic, social, business and demographic statistical information. It is responsible for the gathering, processing and dissemination of statistical information and analytical services. The publications and releases prepared by BC Stats are available to the public via the web (www.bcstats.gov.bc.ca) and by subscription. During the year, over 260,000 users accessed 5.1 million pages of information on the BC Stats web site, an increase of almost 40% from the previous year. In addition to the web site, BC Stats staff directly helped over 8,000 individuals from within government, the business community and the public to locate and interpret statistical information.

Corporate and Personal Property Registries

The Corporate and Personal Property Registries provides the legal framework and files documents for the incorporation, registration, maintenance and dissolution of business entities, non-profit organizations and co-operatives that operate in British Columbia. It maintains registries of encumbrances against personal property and of the ownership and location of manufactured homes in the province. It facilitates and supports commerce in the province by providing business and the public the mechanism to register and search information in a cost-effective manner. It also provides for the operation of the Audit Certification Board under the *Company Act*. Revenue of the Corporate and Personal Property Registries comes from registration and search fees.

Table 3.43 Registration and Search Activity for 2000/01

Activity Indicators	Volume
New BC incorporated companies	20,740
Business name searches	69,485
New encumbrances against personal property	339,976
Corporate Registry searches	387,660
Personal Property Registry searches	710,535
Manufactured Homes Registry searches	36,454

Revenue Division

As the government's tax collector, Revenue Division administers and enforces the province's major tax legislation. By ensuring this legislation is applied fairly and consistently, the division promotes voluntary compliance and builds mutual trust between the taxpayer and government. The division also delivers benefits to families, businesses and citizens of British Columbia under the B.C. Family Bonus, the first time home buyer's program, numerous income tax credit programs and the land-tax-deferment and fuel-tax-rebate programs.

Office of the Comptroller General

The Office of the Comptroller General (OCG) maintains the government's corporate accounting system, and prepares the public accounts and provides advice and recommendations on accounting policy. The OCG is responsible for the quality and integrity of the provincial government's financial management and control systems. The OCG operates under the *Financial Administration Act*. Responsibility for the unclaimed property special account also rests with OCG.

Streamlining Initiative

The streamlining initiative was a government-wide program to improve British Columbia's regulatory environment. As a key part of the initiative, the business task force on regulatory impact had a mandate to cut red tape and the cost of doing business in British Columbia.

Financial Institutions Commission

The Financial Institutions Commission regulates the province's financial services sector, including trust companies, credit unions, mortgage brokers and insurance and real estate industries. It administers provincial statutes that provide regulatory rules designed to protect depositors and policyholders against insolvency of a trust company, credit union, or insurance company; and, safeguard consumers against improper market conduct in the financial services and real estate industries. Through the Credit Union Deposit Insurance Corporation, the commission insures credit union deposits and non-equity shares up to $100,000 per separate deposit, per credit union.

In 2000/01, those authorized to conduct financial services business in the province included:

- 263 insurers,
- 71 credit unions,
- 52 trust companies,
- 14 captive insurance companies, and
- 5 reciprocal exchanges.

Individual registrants included:

- 1,632 mortgage brokers and sub-brokers,
- 14,000 real estate licensees, and
- 11,000 insurance licensees.

Real estate disclosure statements, prospectuses, and amendments received totalled 623. The number of complaints filed with the commission declined; complaint initiated investigations were down to 208 (from 230), several resulting in administrative interventions. One licensee's business was closed and then became the subject of extensive forensic accounting work to protect property management clients. Eight individuals were charged with 35 offences under provincial law and the *Criminal Code* (down from 21 and 123 in the prior year). Complaints regarding unlicensed activity increased significantly.

Crown Corporations Secretariat

The Crown Corporations Secretariat (CCS) was responsible for providing support to ministers responsible for Crown corporations, Treasury Board and Cabinet on all major strategic issues in the Crown corporations sector. It analyzed and advised government on issues relating to Crown corporations, including fiscal and policy issues, performance plans and reports, and major capital projects. It also performed a co-ordinating and integrating role on cross-Crown corporation initiatives.

Public Sector Employer's Council

The Public Sector Employer's Council (PSEC) is responsible for co-ordinating and enhancing the effective management of labour relations and human resources in the public sector. It is made up of eight ministers or deputy ministers, the commissioner of the Public Service Employee Relations Commission and a representative from each of the six public-sector employers' associations. These associations included the Health Employers' Association of British Columbia, British Columbia Public School Employers' Association, Post Secondary Employers' Association, University Public Sector Employers' Association and Crown Corporation Employers' Association. The Minister of Finance and Corporate Relations chaired the 15-member council.

British Columbia Investment Management Corporation

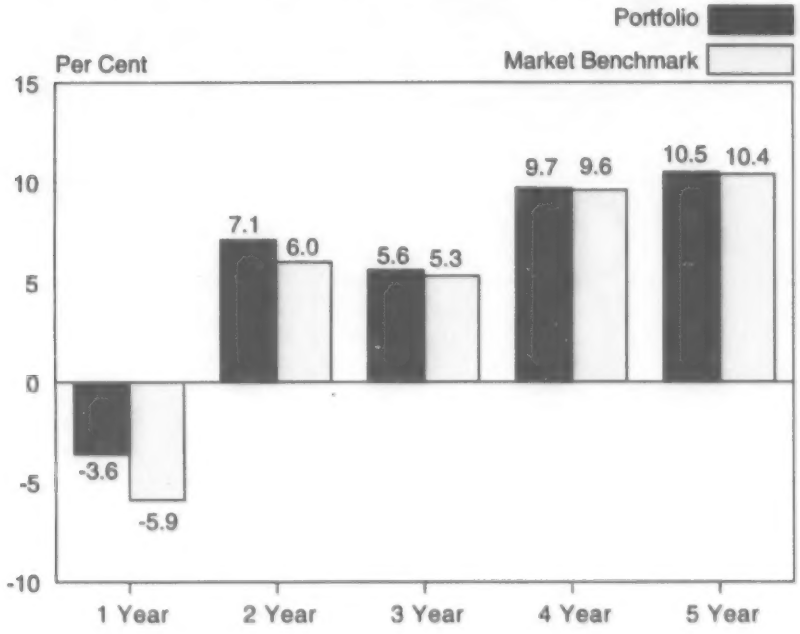
In 2000/01, the British Columbia Investment Management Corporation (BCIMC) provided funds management services for public sector pension plans, other publicly administered trust funds, the provincial government, and other government bodies. BCIMC had approximately $60 billion under its administration, making it the largest institutional investor in Western Canada and the third largest pension fund manager in the country. Approximately, 70 per cent of the assets under administration were managed internally by investment professionals hired by BCIMC. The remaining 30 per cent were placed with external (i.e. private sector) fund managers.

As investment return has been estimated to provide over 80 per cent of the funding for pension benefits, BCIMC's performance has significant impact on the long-term cost of providing pensions for public sector workers. Under the joint trustee initiative, responsibility for any funding surpluses or shortfalls in the public sector pension plans are shared equally by the employers and plan members. In the case of the province's

sinking funds, the more successful BCIMC is in increasing the value of these financial assets the lower will be the future debt servicing costs to taxpayers.

During the past five years, as the following chart shows, BCIMC's performance for its pension clients was consistently as good as or above market benchmarks.

Chart 3.14 Annualized Pension Returns Ending March 31, 2001



Source: B.C. Investment Management Corp.

British Columbia Buildings Corporation

The British Columbia Buildings Corporation (BCBC) provides accommodation and real estate services to the provincial government and the broader public sector. BCBC is structured similarly to a private-sector enterprise and is totally revenue-dependent. BCBC charges rents according to market principles and this approach has enabled BCBC to earn market-comparable financial returns.

Three benchmarking studies were completed in 2000/01, on the corporation's leasing, property management and project development services, each of which concluded that the corporation's services in these areas were provided at or below market rates.

BCBC is highly decentralized with a province-wide network of employees located in eight districts, which include 65 service centres and satellite offices. It manages about 3,500 buildings comprising almost 2.4 million square metres (25.8 million square feet) of space. BCBC's diverse portfolio ranges from the Vancouver Law Courts and Robson Square complex to heritage buildings dating from the 1860s, to office buildings, residential institutions, courthouses, forestry complexes, fish hatcheries, ambulance stations, correctional centres and isolated highways facilities.

A number of key accomplishments for the year and results trends are summarized below.

- Building occupancy costs as a proportion of ministries' total operating budgets have decreased from 11.2 per cent in 1983/84 to 8.9 per cent in 2000/01.

- The office vacancy rate in 2000/01 was maintained at two per cent, meeting the corporation's goal to maintain the rate at 1999/00 levels. This rate is well below market comparables.
- The area managed per BCBC employee has increased by 107 per cent from 1,331 square meters in 1978/79 to 2,760 square meters in 2000/01.
- Property management operations and maintenance costs in constant 2000/01 dollars had decreased from $54 per square meter in 1978/79 to $ 38.91 per square meter in 2000/01 (28 per cent decrease).
- Capital construction of over $1 billion was completed since the corporation's inception in 1977, at six per cent below budget on average, and on schedule.
- Since BCBC's energy management program was initiated in 1978, over $130 million in energy savings to government have been realized. Of these savings, $10 million was realized over the last year.
- In December 2000, BCBC became the first provincial public-sector organization in Canada to achieve corporate-wide registration to the International Standards Organization (ISO) 14001 standard.

General government and Other

Ministry of Municipal Affairs

In 2000/01, the Ministry of Municipal Affairs was responsible for three distinct service areas: local government, community service, and safety.

Local Government

The ministry, responsible for the legislative framework for local government, brought in the *Local Government Act* in 2000/01. The Act was the culmination of a three part legislative initiative to change the way the province and local governments interact with each other and provide vital services. The ministry also provided advice and financial assistance to local governments in a number of areas:

- sewer and water infrastructure planning and capital development assistance which address environmental and public health objectives;
- community and regional growth planning which supports economic development and contribute to urban sustainability; and
- small community protection grants that ensure smaller communities are able to provide a basic level of services to their citizens at a reasonable cost.

A total of 579 infrastructure grant applications were processed in 2000/01. All water treatment applications and all upgrades to secondary sewage treatment were funded. A $109-million reduction in the water and sewage treatment backlog was achieved resulting in 7,000 more people served by secondary sewage treatment and 800,000 more people with improved water treatment. In 2000/01, the province signed a new infrastructure agreement with the federal government that will commit $800 million over five years to new water and sewage facility construction in the province.

Community Services

In 2000/01, the ministry provided operating grants to 71 public library boards to improve, enhance and promote the services of public libraries. These grants support 251 public library outlets and reading centers throughout the province. In British Columbia, 98 per cent of the population lives within a public library service area and borrowed more than 46 million items. Circulation of library material per capita increased slightly from 11.63 in 1998/99 to 11.83 in 1999/00. Internet access is available at 99 per cent of the 227 public library outlets. 101 or 44% of public library

outlets received Gates Foundation funding, and this enabled them to purchase 681 public access work stations, 111 printers and 43 content servers.

The ministry administered the *Home Owner Grant Act*, providing property tax relief for eligible British Columbia residents who own and occupy their home.

The ministry managed the property assessment appeal system providing property owners with an independent process to hear appeals of property assessments prepared by the British Columbia Assessment Authority.

Safety Engineering Services

The ministry provided for the safe installation and operation of devices and systems in British Columbia by implementing inspection programs, conducting incident investigations, developing safety codes and standards, and certification and licensing of regulated workers and industries in the following areas: industrial and institutional refrigeration units (including ice rinks); propane and natural gas installations and pipelines; electrical equipment, amusement rides, escalators, elevators in multi-unit residential and commercial buildings and at construction sites; aerial tramways (including ski lifts); railways; and boilers and pressure vessels (which include heating systems in public buildings).

Office of the Fire Commissioner

The Office of the Fire Commissioner is the senior fire authority in the province and is responsible for the enforcement of fire safety legislation. The program supports local fire departments through training programs that ensure that communities have qualified fire professionals and volunteers, fire investigations, collection and analysis of fire loss statistics and promotion of public fire safety awareness.

- In 2000/01, the rate of death by fire per 100,000 population in British Columbia was 0.59, compared to the Canadian average of 1.2.
- The rate of injury by fire per 100,000 population in British Columbia was 6.27 in year 2000/01, slightly higher than the Canadian average of 5.8.
- The number of fires per 1,000 population declined to 1.5 in 1999/00 from 1.67 in 1998/99.

Homeowner Protection Office

The Homeowner Protection Office (HPO) is a provincial Crown corporation, formed under the *Homeowner Protection Act*, to strengthen consumer protection for homeowners, restore consumer confidence in the residential construction industry and bring about an increase in the quality of residential construction in British Columbia over the long term. HPO is self-funded primarily from builder licensing fees. Major program areas included:

Licensing and Home Warranties

- Administering the residential builder and building envelope renovator licensing system province-wide;
- Establishing the framework for and monitoring the mandatory, third-party home warranty insurance system; and
- Developing and administering the future strata manager licensing system

Financial Assistance for Owners of Leaky Homes

- Administering the Homeowner's Reconstruction Loan Program, which provides no-interest repair loans to homeowners who otherwise might have lost their homes due to the cost of building envelope repairs; and
- Administering the PST Relief Grant rebate program for homeowners with completed building envelope repairs.

F3

Research and Education

- Maintaining a research and education function to benefit the residential construction industry, homebuyers and homeowners.

Table 3.44 HPO's Outputs Since its Inception in July 1998

As of March 31, 2001:		($ millions)
Homeowner loans approved	5,278 homes	$114.9
Co-operative housing loans approved	1,429 homes	$44.1
PST relief grants approved	5,630 homes	$2.2
Number of new homes built under the new licensing and warranty system implemented on July 1, 1999	16,832 homes	
Calls handled on the 1-800 information line	37,200 calls	
Condominium repair process seminar attendance	1,301 attendees	
Number of on-site meetings with owners	250 strata meetings	
Residential builders licensed	2,298	
Building envelope renovators licensed	72	

British Columbia Assessment Authority

The British Columbia Assessment Authority (BC Assessment), produces and maintains real property assessments in British Columbia. BC Assessment does not determine property taxation levels; it determines property values. It generates annual assessment rolls for British Columbia's taxing jurisdictions and assessment notices for more than 1.6 million property owners throughout the province. Assessment rolls provided a fair and equitable base from which local and provincial governments raised approximately $4.0 billion in property taxes to finance a wide range of public services. Assessed value for the majority of properties is derived from market value as of July 1 preceding roll publication. BC Assessment operated 25 offices and has approximately 689 employees throughout the province.

The authority also determines the appropriate classification for properties in British Columbia. Table 3.45 below shows the authenticated values for all property classes for the 2000 and 2001 assessment rolls.

Table 3.45 2000* and 2001 Authenticated Assessment Roll Values by Property Class

Property Class #	Property Description	Authenticated Roll Totals 2000 $ millions	2001 $ millions	Change Per cent
1	Residential	285,112	289,533	1.55
2	Utility	15,525	16,372	5.46
3	Unmanaged forest	51	54	5.88
4	Major industry	5,534	5,578	0.80
5	Light industry	3,919	4,479	14.29
6	Business/other	78,857	80,841	2.52
7	Managed forest	945	1,016	7.51
8	Recreational/non-profit	10,857	11,175	2.93
9	Farm	1,315	1,308	−0.53
	Total	402,115	410,356	2.05

* Includes supplementary and Property Assessment Appeal Board changes up to March 21, 2001.

While the primary products are the assessment notices and assessment rolls, assessment data has numerous other uses:

- municipalities supplement their own databases with assessment data for plebiscite and utilities mailings;
- assessment data is used in systems that support Geographic Information Systems, planning, engineering and 911 response; and
- BC Assessment generated $3,175,000 in revenue in 2000 from the sale of property information products and services to commercial clients.

An important measure of public acceptance of the assessment roll is the number of complaints to the Property Assessment Review Panel. As Table 3.46 below illustrates, there had been a steady decline in complaints between 1993 and 2000. However, complaints were up slightly in 2001 from 2000 levels.

Table 3.46 Complaints to the Property Assessment Review Panel

	Total Properties Assessed (Millions)	Complaints (per cent of properties)
1993	1.40	3.5
1994	1.43	2.8
1995	1.48	2.3
1996	1.52	2.1
1997	1.54	1.7
1998	1.57	1.8
1999	1.60	1.7
2000	1.62	1.1
2001	1.64	1.4

Ministry of Labour

In 2000/01, the Ministry of Labour promoted good relations between employers and workers and ensured that basic standards of working conditions, health and safety, compensation, and pension plans were met.

Labour Relations

In 2000/01 the province promoted harmonious relationships between employers and workers through the Labour Relations Board, an independent agency established by the Labour Relations Code for dispute resolution. Government works to promote an environment where businesses are able to grow and workers' rights are protected.

During the last three years the ratio of "work stoppage duration time to time worked" remained at a stable low level of 0.1 per cent (one day lost for every 1,000 days worked by all employees).

Employment Standards Branch

The Employment Standards Branch (ESB) administers the *Employment Standards Act*, which regulates conditions of employment, including hours of work and overtime, minimum wage, timely payment of wages, child employment and termination of employment. ESB strives to provide employers and employees access to timely services regarding employment standards complaints.

Table 3.47 Employment Standards Branch Performance Levels

Timeliness of the Processing of Complaints Filed With ESB	2000/01 Actual
Complaints backlog	512[1]
Per cent of files assigned to an ESB officer, within 14 days of filing	82%
Per cent of files concluded by ESB or go to determination,[2] within 90 days of assignment to an ESB officer	33% (approx.)

[1] Employment Standards Branch complaints backlog as of February 28, 2001.
[2] The term determination here means action of some kind, e.g. order for wage recovery.

Employment Standards Tribunal

The Employment Standards Tribunal, established under the *Employment Standards Act*, provides independent dispute resolution regarding the application and interpretation of the *Employment Standards Act* and the *Skills Development and Fair Wage Act*.

Minimum Wage

The minimum wage rate was increased to $7.60 on November 1, 2000 and is scheduled to increase to $8.00 on November 1, 2001.

Pension Standards

Minimum standards for British Columbia pension plans in areas such as eligibility, vesting, portability, survivor benefits, employer contributions and disclosure to members are set out in the *Pension Benefits Standards Act*, which is administered by the Superintendent of Pensions and the Pension Standards Branch.

The retirement income security of British Columbians in defined benefit pension plans has been improving.

Table 3.48 Average Funded Ratio of Defined Benefits Pension Plans in British Columbia

	Average Funded Ratio[1]		
	1998/99	1999/00	2001/02
Multi-employer plans	0.920	0.947	0.983
Single employer plans	1.113	1.145	1.293

[1] Assets divided by liabilities, an indicator of financial health.

Industry Training and Apprenticeship

The Industry Training and Apprenticeship Commission (ITAC) is an arms length agency of the provincial government. ITAC's role is to enhance and expand industry training and apprenticeship programs. The number of training spaces has increased from 23,000 in 1999/00 to 25,687 in 2000/01, including apprentices. There were 16,000 registered apprentices in British Columbia in 2000/01.

Workers' Compensation Board

The Workers' Compensation Board (WCB) is a statutory agency responsible for administering the *Workers Compensation Act* and developing and enforcing Occupational Health and Safety Regulations. While its highest priority is the prevention of workplace injuries and disease, WCB provides rehabilitation services and financial compensation to workers injured in the course of their employment. British Columbia experienced a steady improvement in workplace safety in recent years.

Table 3.49 WCB's all Industry Injury and Illness Rate for British Columbia

	1997	1998	1999	2000
All industry illness and injury rate[1]	5.0	4.9	4.6	4.0

[1] All Industry Illness and Injury Rate measures the number of time-loss illnesses and injuries first paid in the year of injury per 100 person years of employment.

Ministry of Aboriginal Affairs

In 2000/01 the Ministry of Aboriginal Affairs was responsible for negotiating treaties with First Nations and Canada on behalf of the provincial government and the citizens of British Columbia. Approximately 62 per cent of the First Nations in British Columbia have chosen to negotiate treaties through the British Columbia Treaty Commission process. The ministry also negotiated or facilitated other agreements and discussions with First Nations who are not engaged in this process, and with major aboriginal organizations, provincial ministries and agencies and the federal government.

Treaty Negotiations

Major accomplishments in 2000/01 included:

- Negotiations with 137 First Nations at 45 treaty tables.
- Two agreements in principle were initialled with the Sliammon and Nuu-chah-nuth First Nations.
- Three other land and cash proposals were tabled with the Lheidli T'enneh, Tsawwassen and Tsay keh Dene First Nations.
- 47 treaty related measures and 70 interim measures agreements were signed with First Nations. Many of these provided immediate economic opportunities, while treaty negotiations proceed.

Economic and Social Services to Aboriginal People

The ministry also worked with First Nations, aboriginal organizations, and various levels of government to build a strong foundation for improved social and economic conditions in communities throughout British Columbia. Activities on this regard during 2000/01 included:

- 141 loan subsidies, to build or expand aboriginal businesses, through the First Citizens' Fund.
- Bursaries for 136 aboriginal students.
- Grants for cultural and heritage initiatives and for friendship centres.

Ministry of Multiculturalism and Immigration

In 2000/01, the Ministry of Multiculturalism and Immigration was responsible for the promotion and building of a multicultural society and the elimination of racism in British Columbia. The ministry was also responsible for managing the impact of immigration on the province in order to maximize its social and economic benefit, and to facilitate the integration of immigrants into British Columbia society.

Multiculturalism B.C.

This program area developed and co-ordinated the implementation of provincial multiculturalism policies and programs. Its mandate is to administer and implement the *Multiculturalism Act*. The goals of the act include cross-cultural understanding, organizational change, access to opportunities, elimination of racism and the delivery of culturally responsive services. This program worked in partnership with public institutions and non-profit organizations, developed and implemented initiatives in multiculutralism, and promoted cross-cultural understanding through public education programs.

Community Liaison

This program area administered the funding of anti-racism and multiculturalism programs. It also administered and delivered specific funding of programs and initiatives for settlement and integration of newcomers through the British Columbia settlement and integration program and the B.C. organization support program.

The heritage language program provided funding to British Columbia schools that offer language instruction not available through provincial education programs. In the current year, 20,500 students in 166 schools received heritage language instruction in 26 languages, compared to 17,000 students, 134 schools and 19 languages in 1996/97.

Through the B.C. settlement and immigration program provided funding for the delivery of settlement and adult language training services for immigrants through nearly 55 non-profit service agencies. British Columbia receives federal government transfer of funds for the delivery of this program

Immigration

This program area developed, co-ordinated and promoted British Columbia policies and programs related to immigration. Responsibility for immigration is shared between the federal and provincial governments. Citizenship and Immigration Canada maintains overall authority for the selection and admission of immigrants.

This program area was also responsible for managing the BC Provincial Nominee Program. This program is part of the *Agreement for Canada-British Columbia Co-operation on Immigration* and is based on critical skill shortages needs and economic benefits to British Columbia.

The foreign qualifications initiative was another ministry initiative to address the difficulties foreign-trained professionals experience in securing recognition of their qualifications, skills and work experience.

Equal Opportunity Secretariat

The Equal Opportunity Secretariat advocated for employment equity in the public sector, monitored progress and helped to ensure that no one was denied an opportunity to compete for public sector jobs for reasons other than their knowledge, skills and ability.

Commercial Crown Corporations and Agencies

Introduction

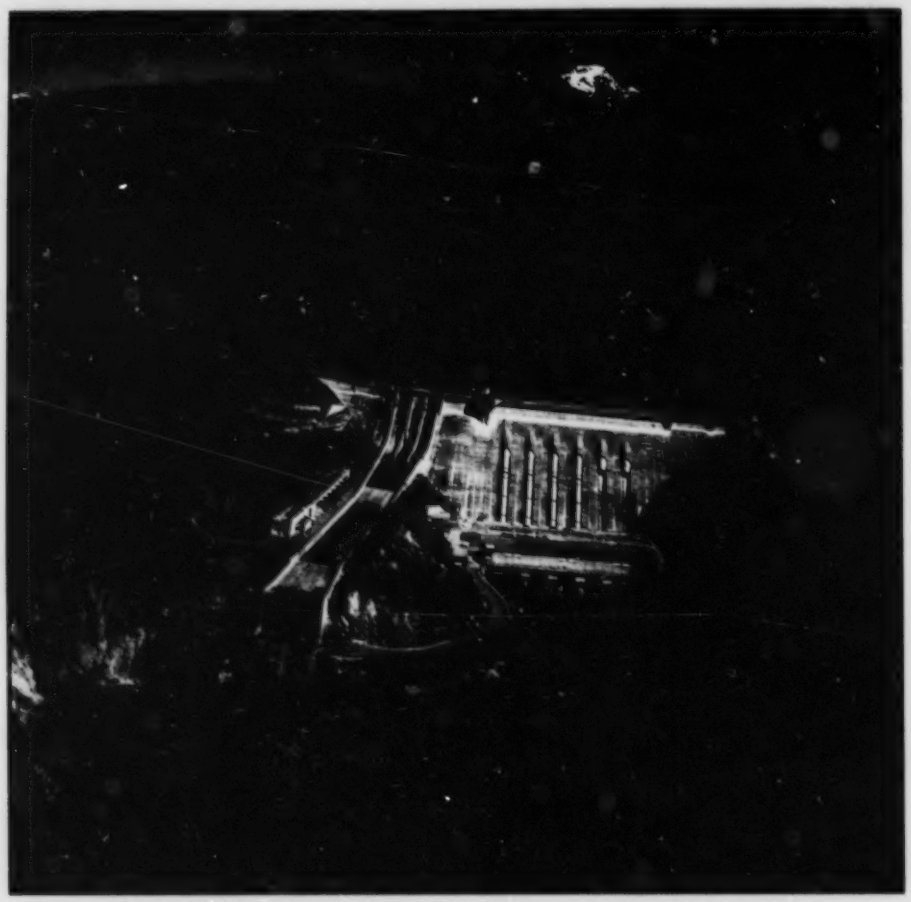
British Columbia has several publicly owned Crown corporations and agencies which generate revenue by selling services at commercial rates and pay their own operating expenses, including debt service charges. These organizations, discussed in the following pages, employ private sector management techniques in the pursuit of public policy goals. Their products and services include energy, insurance and transportation.

British Columbia Hydro and Power Authority

The British Columbia Hydro and Power Authority (BC Hydro), is the third largest electrical utility in Canada, responsible for generating and delivering low-cost electricity to 1.5 million customers in British Columbia. With 99.97 per cent reliability, it generated over 54,000 GW.h of electricity from 30 hydro installations, three thermal-generating plants, and a small number of diesel-generating stations that provide local power in remote areas.

Trade Revenue

During 2000/01 BC Hydro had higher electricity trade revenues (i.e. over $5 billion primarily from sales to utilities and marketers on the west coast of North America) due to both an increase in the market prices for electricity, particularly in the California market, and its ability to use its large water storage reservoirs for that purpose.



Revelstoke Dam, one of the largest hydroelectric power dams in North America.
(photo courtesy of BC Hydro)

Green Energy

BC Hydro has pledged to acquire enough 'green energy' to serve at least 10 per cent of the increase in the demand for electricity. The voluntary 10 per cent target is expected to be met in the short term through purchase agreements with independent power producers, who generate electricity using proven 'green' technologies like small hydro and biomass. As an example, a 25 MW small hydro facility near Pemberton is in early stages of development, with the first electricity to be delivered to the system in spring 2003.

Greenhouse Gas Emissions

BC Hydro is one of the lowest emitters of greenhouse gases (GHG) in the North American energy industry. A key part of BC Hydro's strategy to limit growth of GHG emissions from its electrical system involves investing in projects that 'offset' emissions in one place by lowering, avoiding or capturing and storing emissions at another source. During the year, BC Hydro pledged to offset 50 per cent of the net increase in emissions from two new gas-fired generating facilities on Vancouver Island.

Power Smart

The power smart program, launched in 1989, promotes wise use of electricity by residential, commercial and industrial consumers. The program has reached an annual level of savings of about 2,500 million kilowatt-hours of electricity a year, valued at $877 million. BC Hydro launched a new, three-year power smart campaign called the home energy learning program. This program is designed to provide BC Hydro

residential customers with information, education and incentives to help them save energy and money, including a personalized report on their home providing recommendations for reducing power consumption.

British Columbia Railway Company (BCR Group of Companies)

The BCR Group of Companies is a commercial Crown corporation with all of its businesses operating in full competition with the private sector in a deregulated environment, providing integrated services in transportation and related service in British Columbia. The Group is comprised of a holding company, British Columbia Railway Company; two operating businesses, BC Rail and BCR Marine; and a joint venture investment company, BCR Ventures Inc.

BC Rail

BC Rail, Canada's third largest railway in terms of revenue, operates exclusively in British Columbia and has inter-line connections to all rail-served points in North America. The BC Rail line consists of 2,315 kilometres of mainline and 740 kilometres of industrial, yard and track sidings throughout the province. The majority of tonnage originated by BC Rail is transported beyond the borders of the province. Some 80 per cent of BC Rail's total revenue is generated from the transport of such goods as forest, energy and agricultural products. The remainder of the business unit's revenue is made from car hire, barging, passenger services and intermodal operations.

BCR Marine

BCR Marine, one of the leading players in the marine sector, is comprised of Canadian Stevedoring, Casco Terminals and Vancouver Wharves. Canadian Stevedoring provides stevedoring services at 22 locations along British Columbia's coast and operates the Fairview Terminal in Prince Rupert. Casco Terminals operates the container terminal on the south shore of Vancouver Harbour and handles containers, pulp, packaged lumber and general cargo. Vancouver Wharves, located in North Vancouver, is one of the largest deep-sea loading terminals in North America. It handles bulk commodities such as pulp, canola oil, sulphur, fertilizers, mineral concentrates and agricultural products.

Columbia Power Corporation

Columbia Power Corporation (CPC) is a Crown corporation with the primary mandate to undertake power project investments in the Columbia Basin on a joint venture basis with the Columbia Basin Trust (the Trust). The objective in making power project investments is to develop commercially viable and environmentally acceptable power projects in support of the employment, economic development and resource management objectives of the province and the Trust.

The core projects to be undertaken by CPC and the Trust are the construction and operation of the Arrow Lakes generating station (at the Keenleyside dam), the Brilliant expansion and the Waneta expansion. These core projects have been supplemented with the 1996 purchase and subsequent upgrade of the Brilliant Dam, investments to upgrade power facilities at Evans Forest Products in Golden, the possible purchase, in 2001, of four Kootenay River dams from West Kootenay Power and the planned investment in a new substation at Brilliant to interconnect with West Kootenay Power's transmission system.

Arrow Lakes Generating Station

Construction of the 170 megawatts Arrow Lakes generating station and transmission line is ahead of schedule and is expected to begin producing power in the fall of 2001. Construction is expected to create approximately 1,000 person years of employment. The budget for the construction period is $270 million. The power generated from this project will be sold to BC Hydro under a twelve year contract.

Brilliant Expansion

CPC is proceeding with planning for the Brilliant expansion involving the construction at the Brilliant dam of an additional powerplant with approximately 100 megawatts of capacity. The project is targeted to be in service by 2005.

Waneta Expansion

The Waneta expansion is a proposal to install an additional powerplant with a capacity of up to 380 megawatts at the Waneta Dam. The preliminary project schedule calls for construction to begin in 2004 with commissioning taking place starting in 2008.

Brilliant Operations

The amount of power sold in 2000/01, was 793,270 megawatt-hours. Net income from operations of the Brilliant Dam was $3.7 million compared to $2.5 million in the previous year. CPC and the Trust share this income equally. On-site work for the Brilliant upgrade project began in 2000, with the installation of a new turbine runner and related equipment for the first of four generating units. The upgrade of all four units is expected to be completed in 2002. Capital projects during the year also included dam stabilization, construction of a new switchyard and intake gate rehabilitation.

Insurance Corporation of British Columbia

The Insurance Corporation of British Columbia (ICBC) is a provincial Crown corporation established to provide universal auto insurance to British Columbia motorists. In addition, it is responsible for all driver and vehicle-related services, including commercial vehicle compliance. ICBC develops and implements a wide range of road safety and auto crime prevention programs as well. All motorists in British Columbia are required to buy a basic package of ICBC Autoplan insurance that includes accident benefits, third-party legal liability protection and underinsured motorist protection. The corporation competes with private insurance carriers by offering extended third party legal liability and other optional insurance coverage.

ICBC operates on a non-profit, break-even mandate. It does not discriminate on the basis of age, sex or marital status when setting insurance premiums.

ICBC's lines of business include:

- insurance — provision of insurance coverage;
- claims — processing and settlement of insurance claims;
- road safety — a comprehensive road safety program to reduce risk of road transportation; and
- licensing and compliance — driver and vehicle licensing and vehicle registration.

ICBC has experienced considerable improvement in most aspects of its business during the last five years, particularly in the areas of road safety and cost of claims.

Table 3.50 ICBC Performance Trend 1996/97 to 2000/01[1]

	1996/97	1997/98	1998/99	1999/00	2000/01	Change (1996/97 to 2000/01)
Number of licensed drivers in B.C.	2,541,476	2,591,435	2,692,022	2,733,771	2,751,848	8% increase
Autoplan policies	2,452,000	2,499,000	2,552,000	2,572,000	2,614,000	7% increase
Claims reported during the year	949,000	1,002,000	992,000	1,029,000	1,026,000	8% increase
Total cost of claims incurred (billions)	$2.13	$2.03	$1.92	$1.84	$1.74	18% reduction
Fatalities	501	476	472	445	440	12% reduction
Fatal crash rate per 10,000 policies (annualized)	1.81	1.70	1.63	1.57	1.51	16% reduction
Injury crashes	49,388	47,193	45,256	43,822	42,251	14% reduction
Injury crash rate per 10,000 policies (annualized)	201.42	188.85	177.34	170.38	161.64	20% reduction

[1] The numbers in this table have been updated from the ICBC annual report to reflect crash and victim counts as of August 2001.

British Columbia Lottery Corporation

The British Columbia Lottery Corporation (BCLC) is responsible for the conduct, management and operation of lotteries, casinos and electronic bingo in British Columbia. In 2000/01, BCLC generated sales of $1.48 billion and net income of $562 million.

Table 3.51 Net Income Trend ($ Millions)

Business Unit	1996/97	1997/98	1998/99	1999/00	2000/01
Lottery	272.3	267.5	282.5	287.8	285.4
Casino	—	22.0	171.5	242.3	271.7
Bingo	0.6	0.8	2.0	1.9	4.9
Total	272.9	290.3	456.0	532.0	562.0

For the 26th consecutive year, BCLC achieved record sales and profits. Sales of $1.48 billion and income of $562 million exceeded the previous year by $81.5 million and $30.0 million respectively. BCLC employs a full time equivalent (FTE) of 640 people.

Lottery Operations

The lottery network of BCLC consisted of approximately 2,600 retail locations and 1,200 social gaming retailers. Lottery revenues have flattened in the past three years with revenue growth coming from products that pay higher prizes.

Casino Operations

BCLC's casino network included sixteen community and two destination casinos that operated 2,399 slot machines and 392 tables. Casino income of $271.7 million exceeded the previous year by $29.4 million.

Electronic Bingo Operations

The bingo network of BCLC consisted of ten electronic bingo (Starship) sites, eighty linked bingo (SuperStar) locations and Handheld electronic bingo units in eleven locations. Income of $4.9 million was $3.0 million greater than the previous year.

Liquor Distribution Branch

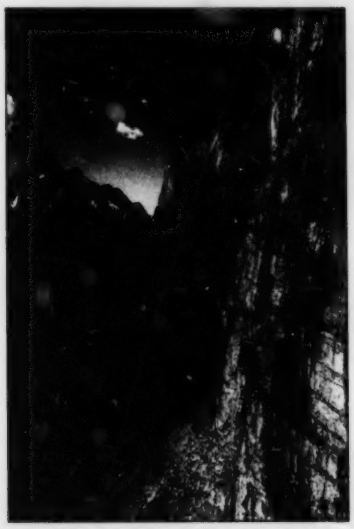
The Liquor Distribution Branch (LDB) is responsible for regulating the distribution, importation and retailing of beverage alcohol in British Columbia. LDB operated 222 liquor stores, two distribution centres, and employed more than 3,500 full and part-time employees. In addition to its own liquor stores, LDB oversees operating agreements of special beverage alcohol retailing programs in private wine outlets and rural agency stores. The wholesale market served by LDB includes agency stores, cold beer and wine stores, and licensed pubs and restaurants.

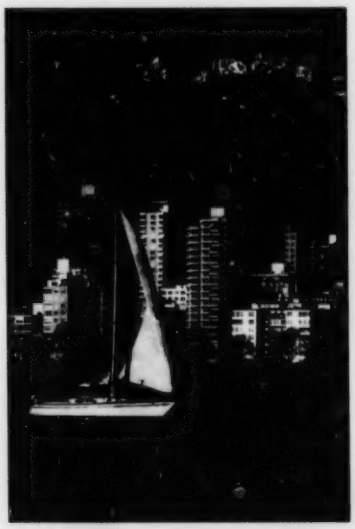
One of the Liquor Distribution Branch's 222 stores.

(photo courtesy of LDB)

To improve customer service and convenience, beginning in October 2000, a small number of LDB's liquor stores began to offer Sunday shopping hours.

Appendices





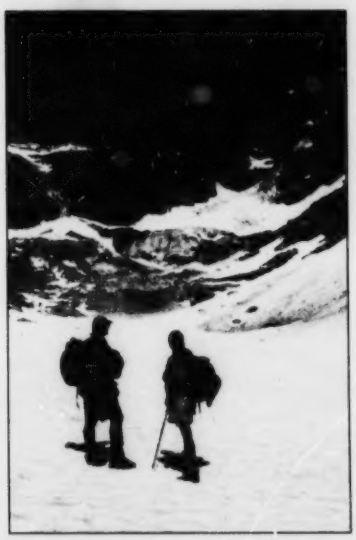


Table of Contents — Appendices

1 Economic Review

Tables —

		Page
A1.1	Summary of Economic Activity for British Columbia	160
A1.2	Components of British Columbia Population Change	162
A1.3	British Columbia Municipal Population Estimates	163
A1.4	Population by Region at July 1	164
A1.5	British Columbia Real Gross Domestic Product by Industry (at factor cost)	165
A1.6	British Columbia Nominal Gross Domestic Product (at market prices)	166
A1.7	British Columbia Real Gross Domestic Product (at market prices)	168
A1.8	Employment by Industry in British Columbia	169
A1.9	Labour Force Characteristics by Region, 2000	170
A1.10	Capital Investment by Industry	170
A1.11	British Columbia International Goods Exports by Major Market and Selected Commodities, 2000	171
A1.12	British Columbia International Goods Exports to Major Countries and Market Areas	172
A1.13	Historical Commodity Prices (in U.S. Dollars)	173
A1.14	Historical British Columbia Farm Cash Receipts	174
A1.15	Historical British Columbia Fish Production	174
A1.16	Volume of Mature Timber as of December 2000	175
A1.17	British Columbia Forest Sector Economic Activity Indicators	175
A1.18	Mineral Production, 1999 and 2000	176
A1.19	Historical Value of Metal Production	176
A1.20	Historical Value of Mineral, Petroleum and Natural Gas Production	177
A1.21	Petroleum and Natural Gas Activity Indicators	177
A1.22	Value of Manufacturing Shipments	178
A1.23	Supply and Consumption of Electrical Energy in British Columbia	178
A1.24	British Columbia Retail Sales by Trade Group	179
A1.25	British Columbia Financial Activity Indicators	179
A1.26	British Columbia Real Estate Market Indicators	180
A1.27	British Columbia Tourism Revenue and Overnight Visitors	181
A1.28	British Columbia High-Technology Sector Activity	182
A1.29	British Columbia Population by Age Group	182

2 Financial Review

The Financial Cycle — Government Ministries and Offices	183
Government, Crown Corporation and Agency Accounts and Financial Statements	185
Consolidated Revenue Fund	185
Crown Corporations and Agencies	185
Summary Accounts	186
Accounting Changes Effective in 2000/01	186
Capitalization	186
Other Accounting Changes	187
Unfunded Pension Liabilities	187
Real Per Capita Revenue and Expenditure — Consolidated Revenue Fund	188
Dedicated Revenues Collected on Behalf of Crown Corporations and Agencies	189
Financial Statements for the Fiscal Year Ended March 31, 2001	190

Tables —

A2.1	Effects of Capitalization on the Summary Accounts	187
A2.2	Unfunded Pension Liabilities	188
A2.3	Dedicated Revenue	190
A2.4	Summary Accounts — Five-Year Operating results	191
A2.5	Five-Year Summary of Operating, Capital Expenditures and Provincial Debt	192
A2.6	Five-Year Summary Accounts Balance Sheet	193
A2.7	Five-Year Revenue by Source — Consolidated Revenue Fund	194

A2.8 Five-Year Revenue by Source — Supplementary Information — Consolidated Revenue Fund 196
A2.9 Five-Year Expenditure by Function — Consolidated Revenue Fund 197
A2.10 Five-Year Expenditure by Function — Supplementary Information — Consolidated Revenue Fund 198
A2.11 British Columbia Buildings Corporation Five-Year Income Statement 199
A2.12 British Columbia Ferry Corporation Five-Year Income Statement 199
A2.13 BC Transportation Financing Authority Five-Year Income Statement 200
A2.14 Forest Renewal BC Five-Year Income Statement 200
A2.15 British Columbia Hydro and Power Authority Five-Year Income Statement 201
A2.16 Liquor Distribution Branch Five-Year Income Statement 201
A2.17 British Columbia Lottery Corporation Five-Year Income Statement 202
A2.18 British Columbia Railway Company Five-Year Income Statement 202
A2.19 Insurance Corporation of British Columbia Five-Year Income Statement 203
A2.20 Five-Year Provincial Debt Summary 204
A2.21 Five-Year Provincial Debt Summary — Supplementary Information 205
A2.22 Historical Summary Accounts Surplus (Deficit) 206
A2.23 Historical Summary of Financial Transactions — Consolidated Revenue Fund 207
A2.24 Historical Revenue by Source — Consolidated Revenue Fund 208
A2.25 Historical Expenditure by Function — Consolidated Revenue Fund 209
A2.26 Historical Provincial Debt Summary 210
A2.27 Provincial Taxes (as of July 2001) 211
A2.28 Interprovincial Comparisons of Tax Rates for 2001 (as of July 1, 2001) 215
A2.29 Summary of Major Tax Changes Announced up to June 30, 2001 216

3.1 Lieutenant Governor, Executive Council and Members of the Thirty-seventh Legislative Assembly (as of October 2001) 217
Cabinet Committee Structure 219
Legislative Committees 219
Statutory Officers 220

3.2 Government Agents (as of October 2001) 221

3.3 Major British Columbia Crown Corporations and Agencies (as of October 2001) 222

Appendix 1: Economic Review

Table A1.1 Summary of Economic Activity for British Columbia

	Units	1986	1987	1988	1989
Annual aggregate indicators					
Population[1]	(thousands)	3,004.1	3,050.1	3,115.7	3,198.5
Nominal gross domestic product[2] (at market prices)	($ millions)	56,606	62,483	69,331	75,519
Personal income[2]	($ millions)	—	—	—	—
Capital investment	($ millions)	9,576	10,781	12,710	15,925
Business incorporations	(number)	17,064	18,691	18,703	21,817
Labour statistics					
Labour force	(thousands)	1,524	1,563	1,599	1,658
Employment	(thousands)	1,329	1,375	1,436	1,510
Unemployment rate	(per cent)	12.8	12.1	10.2	9.0
Prices and earnings					
Consumer price index (British Columbia)	(1992=100)	78.6	81.0	83.9	87.7
Consumer price index (Vancouver)	(1992=100)	78.5	80.9	83.8	87.5
B.C. export commodity price index (Canadian $)	(1992=100)	—	—	108.3	110.5
Average weekly wage rate[3]	($)	—	—	—	—
Wages and salaries	($ millions)	27,469	29,911	32,800	36,697
Financial indicators					
Prime rate	(per cent)	10.52	9.52	10.83	13.33
Canada/U.S. exchange rate	(U.S. cents)	71.97	75.41	81.24	84.45
Conventional (5 year) mortgage rate	(per cent)	11.22	11.14	11.60	12.05
Other indicators					
Manufacturing shipments	($ millions)	20,240	23,374	25,516	26,596
Retail sales[4]	($ millions)	17,416	19,160	20,802	22,791
Housing starts	(number)	20,687	28,944	30,487	38,894
Non-residential building permits	($ millions)	912	999	1,647	1,808
Tourism gross domestic product	($ millions)	2,623	2,685	2,910	3,160
High-tech gross domestic product	($ millions)	826	960	1,217	1,439
B.C. product exports	($ millions)	13,179	16,236	17,830	18,334
Commodity data					
Lumber production	(thousand m3)	31,468	37,336	36,736	35,952
Log production (timber harvest)	(thousand m3)	77,503	90,592	86,808	87,415
Market pulp shipments	(000 tonnes)	3,628	4,136	4,141	4,189
Newsprint, other paper and paperboard production	(000 tonnes)	2,602	2,753	2,878	2,846
Petroleum and natural gas production	($ millions)	778	731	736	783
Coal production	(000 tonnes)	20,837	22,587	24,813	25,134
Solid mineral production	($ millions)	2,440	2,768	3,224	3,180
Electric power generated	(GW.h)	50,759	63,066	60,943	57,655
Farm cash receipts	($ millions)	1,106	1,121	1,206	1,255
Landed value of fish products	($ millions)	405	455	573	513

[1] As at July 1. Data take into account adjustments made for net census undercount and non-permanent residents.
[2] In May 1998, as part of its periodic re-basing of the national economic accounts, Statistics Canada revised provincial GDP and personal income back to 1991. Revised estimates prior to 1991 are not yet available. 2000 data is a Ministry of Finance and Corporate Relations estimate.
[3] Data prior to 1997 not available.
[4] Retail sales data prior to 1991 include the old federal manufacturer's sales tax (FST); data for 1991 onwards does not include the goods and services tax.
[5] Data not available.
Sources: Statistics Canada; BC STATS; and Ministry of Finance, based on federal, provincial and industry data.

1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	Change 1999–2000
											(per cent)
3,291.4	3,373.4	3,470.3	3,571.5	3,681.8	3,784.0	3,882.0	3,959.7	3,997.5	4,028.1	4,063.8	0.9
79,227	81,766	87,066	93,822	100,149	105,319	108,454	113,596	113,945	118,783	125,690	5.8
—	75,337	78,641	81,956	85,692	90,055	92,658	95,600	97,817	100,212	105,520	5.3
17,202	17,216	17,368	18,006	20,403	19,988	18,775	21,807	20,055	20,057	20,972	4.6
19,550	18,528	20,406	22,955	25,774	23,846	22,848	22,958	20,759	21,009	21,515	2.4
1,700	1,749	1,804	1,856	1,928	1,958	1,995	2,040	2,051	2,079	2,100	1.0
1,555	1,572	1,620	1,676	1,754	1,792	1,821	1,869	1,870	1,906	1,949	2.2
8.6	10.1	10.2	9.7	9.0	8.4	8.7	8.4	8.8	8.3	7.2	−13.3
92.4	97.4	100.0	103.5	105.5	107.9	108.9	109.7	110.0	111.2	113.3	1.9
92.3	97.1	100.0	103.6	105.7	108.4	109.2	109.8	110.4	111.4	113.9	2.2
106.6	93.6	99.9	115.6	131.4	140.9	137.9	140.4	130.6	139.3	139.0	0.0
—	—	—	—	—	—	—	610.7	618.4	625.2	637.1	1.9
40,018	41,385	43,415	45,352	47,312	49,383	51,179	53,035	54,173	55,583	59,103	6.3
14.06	9.94	7.48	5.94	6.88	8.65	6.06	4.96	6.60	6.44	7.27	12.9
85.71	87.28	82.73	77.51	73.22	72.86	73.34	72.22	67.41	67.31	67.32	—
13.24	11.16	9.52	8.70	9.34	9.22	7.94	7.07	6.90	7.39	8.20	11.0
25,329	23,259	24,398	26,583	30,333	34,207	32,932	33,496	31,757	35,616	37,767	6.0
24,200	23,613	24,512	26,553	29,443	31,496	32,071	33,736	33,049	33,684	35,821	6.3
36,720	31,875	40,621	42,807	39,408	27,057	27,641	29,351	19,931	16,309	14,418	−11.6
1,833	1,803	2,082	1,944	1,772	1,966	1,957	1,959	2,022	2,104	2,089	−0.7
3,382	3,448	3,564	3,800	4,113	4,438	4,692	4,977	5,069	5,040	5,390	6.9
1,609	1,633	1,732	1,867	1,964	2,316	2,420	2,788	3,004	3,266	3,820	17.0
16,648	15,215	16,353	19,016	22,834	26,911	25,765	26,761	26,045	28,738	33,241	15.7
33,515	31,406	33,396	33,935	33,671	32,611	32,671	31,562	30,237	31,833	32,156	1.0
78,318	73,677	74,006	79,239	75,650	76,472	75,213	68,628	64,967	75,997	76,984	1.3
3,547	4,014	3,825	4,040	4,763	4,572	4,390	4,532	4,462	4,995	5,152	3.1
2,994	2,721	2,682	3,052	2,961	2,850	2,834	2,605	2,659	3,039	3,093	1.8
899	858	890	1,089	1,270	1,040	1,333	1,588	1,574	2,157	4,706	118.2
24,366	24,848	18,094	20,629	22,580	24,350	26,179	27,812	25,276	24,810	26,152	5.4
2,971	2,755	2,537	2,347	2,677	3,437	3,087	3,130	3,025	2,565	2,871	11.9
60,662	62,981	64,058	58,774	61,015	58,006	71,764	66,961	67,710	68,045	68,239	0.3
1,299	1,340	1,427	1,452	1,543	1,599	1,712	1,759	1,835	1,934	2,076	7.3
559	492	533	605	735	587	589	604	547	614	n.a.[5]	—

Table A1.2 Components of British Columbia Population Change

Year	Net Migration			Natural Increase			Total Population Increase[1]	Population — End of Period (December 31)[1]
	Interprovincial	International	Total	Births	Deaths	Total		
1975	(2,864)	25,342	22,478	36,281	19,151	17,130	39,608	2,520,424
1976	(1,490)	16,288	14,798	35,848	18,788	17,060	31,858	2,552,282
1977	15,507	11,224	26,731	36,691	18,596	18,095	44,826	2,595,870
1978	20,698	7,699	28,397	37,231	19,058	18,173	46,570	2,641,202
1979	33,241	14,012	47,253	38,432	19,204	19,228	66,481	2,706,445
1980	40,165	23,447	63,612	40,104	19,371	20,733	84,345	2,789,552
1981	21,565	22,136	43,701	41,474	19,857	21,617	65,318	2,854,237
1982	(2,019)	14,150	12,131	42,747	20,707	22,040	34,171	2,888,208
1983	4,029	10,603	14,632	42,919	19,827	23,092	37,724	2,925,731
1984	3,505	8,633	12,138	43,911	20,686	23,225	35,363	2,960,894
1985	(3,199)	9,357	6,158	43,127	21,302	21,825	27,983	2,988,677
1986	910	12,821	13,731	41,967	21,213	20,754	34,485	3,023,311
1987	17,618	21,600	39,218	41,814	21,814	20,000	59,218	3,082,928
1988	25,865	29,255	55,120	42,930	22,546	20,384	75,504	3,158,832
1989	37,367	31,526	68,893	43,769	22,997	20,772	89,665	3,248,896
1990	38,704	28,420	67,124	45,617	23,577	22,040	89,164	3,338,460
1991	34,572	24,820	59,392	45,612	23,977	21,635	81,027	3,424,109
1992	39,578	32,662	72,240	46,156	24,615	21,541	93,781	3,525,529
1993	37,595	37,840	75,435	46,026	25,764	20,262	95,697	3,628,866
1994	34,449	45,557	80,006	46,998	25,939	21,059	101,065	3,737,570
1995	23,414	45,591	69,005	46,820	26,375	20,445	89,450	3,834,659
1996	17,798	49,322	67,120	46,138	27,536	18,602	85,722	3,923,564
1997	1,980	42,634	44,614	44,577	27,412	17,165	61,779	3,985,343
1998	(17,521)	28,687	11,166	43,132	28,080	15,052	26,218	4,011,561
1999	(8,129)	32,641	24,512	42,003	29,630	12,373	36,885	4,048,446
2000	(14,123)	32,015	17,892	41,938	30,887	11,051	28,943	4,077,389

[1] Components may not add to totals due to the revision of population statistics based on information collected during subsequent census years. The revisions are not distributed back to relevant components due to insufficient data.

Source: Statistics Canada

Table A1.3 British Columbia Municipal Population Estimates

Name	Area Type	Estimate 1998	Estimate 1999	Estimate 2000
Abbotsford	C	113,227	114,186	115,126
Alert Bay	VL	555	553	556
Anmore	VL	1,161	1,261	1,306
Armstrong	C	4,191	4,215	4,257
Ashcroft	VL	1,947	1,973	1,995
Belcarra	VL	706	707	712
Bowen Island	IM†	—	—	3,167
Burnaby	C	188,935	190,214	192,389
Burns Lake	VL	1,884	1,888	1,892
Cache Creek	VL	1,153	1,145	1,114
Campbell River	DM*	31,362	31,288	31,253
Castlegar	C	7,378	7,391	7,427
Central Saanich	DM	15,454	15,505	15,553
Chase	VL	2,574	2,570	2,602
Chetwynd	DM	2,947	3,057	3,005
Chilliwack	C	64,399	65,246	65,421
Clinton	VL	771	737	718
Coldstream	DM	9,527	9,548	9,660
Colwood	C	14,713	14,672	14,655
Comox	T*	11,926	12,149	12,252
Coquitlam	C	110,278	111,505	112,278
Courtenay	C*	19,184	19,506	19,803
Cranbrook	C*	19,517	19,792	19,874
Creston	T	5,125	5,087	5,161
Cumberland	VL	2,746	2,725	2,718
Dawson Creek	C	11,781	11,809	11,715
Delta	DM	100,885	101,071	101,433
Duncan	C	4,893	4,780	4,766
Elkford	DM	2,813	2,804	2,866
Enderby	C	2,908	2,909	2,920
Esquimalt	DM	16,626	16,419	16,400
Fernie	C	5,101	5,201	5,272
Fort Nelson	T	4,774	4,776	4,732
Fort St. James	DM	2,116	2,110	2,130
Fort St. John	C	16,274	16,443	16,842
Fraser Lake	VL	1,328	1,282	1,328
Fruitvale	VL	2,170	2,152	2,165
Gibsons	T	3,901	3,858	3,895
Gold River	VL	1,948	1,799	1,786
Golden	T	4,160	4,191	4,253
Grand Forks	C	4,292	4,319	4,297
Granisle	VL	459	456	433
Greenwood	C	791	761	758
Harrison Hot Springs	VL	1,083	1,106	1,116
Hazelton	VL	389	366	359
Highlands	DM	1,561	1,602	1,649
Hope	DM	6,797	6,824	6,825
Houston	DM	4,325	4,231	4,206
Hudson's Hope	DM	1,146	1,152	1,134
Invermere	DM	2,932	2,946	2,952
Kamloops	C*	81,630	81,937	82,832
Kaslo	VL	1,115	1,106	1,097
Kelowna	C	97,073	97,359	100,433
Kent	DM	5,239	5,315	5,506
Keremeos	VL	1,191	1,190	1,178
Kimberley	C	6,929	6,914	6,976
Kitimat	DM	11,677	11,669	11,533
Ladysmith	T*	6,891	6,961	6,963
Lake Country	DM	9,502	9,529	9,366
Lake Cowichan	T	3,054	3,063	3,086
Langford	DM	19,361	19,562	20,059
Langley	C	24,063	24,172	24,287
Langley	DM	87,481	88,466	89,351
Lillooet	DM	3,010	2,971	2,987
Lions Bay	VL	1,411	1,413	1,498
Logan Lake	DM	2,586	2,516	2,505
Lumby	VL	1,796	1,759	1,796
Lytton	VL	325	320	318
Mackenzie	DM	6,282	6,249	6,275
Maple Ridge	DM	60,907	61,954	63,138
Masset	VL	1,066	1,211	1,266
McBride	VL	773	757	769
Merritt	C	8,116	8,051	8,075
Metchosin	DM	5,010	5,029	5,087
Midway	VL	691	686	682
Mission	DM	32,485	32,651	32,931
Montrose	VL	1,177	1,169	1,153
Nakusp	VL	1,833	1,788	1,786
Nanaimo	C	75,527	76,153	76,645
Nelson	C	9,703	9,691	9,677
New Denver	VL	602	612	600
New Hazelton	DM	850	836	865
New Westminster	C	53,504	54,160	54,904
North Cowichan	DM	27,049	27,338	27,612
North Saanich	DM	10,922	10,915	10,931
North Vancouver	C	44,369	44,628	44,944
North Vancouver	DM	85,181	85,486	85,812
Oak Bay	DM	18,118	17,895	17,664
Oliver	T	4,442	4,384	4,359
Osoyoos	T	4,386	4,414	4,379
Parksville	C	10,238	10,355	10,613
Peachland	DM	4,789	4,832	4,869
Pemberton	VL*	1,351	1,659	1,657
Penticton	C	32,483	32,619	32,542
Pitt Meadows	DM	14,485	14,752	14,850
Port Alberni	C*	19,473	19,328	19,329
Port Alice	VL	1,341	1,293	1,248
Port Clements	VL	604	573	567
Port Coquitlam	C	50,733	51,117	51,423
Port Edward	DM	777	772	761
Port Hardy	DM	5,370	5,279	5,228
Port McNeill	T	3,100	3,108	3,081
Port Moody	C	23,104	23,730	23,819
Pouce Coupe	VL	945	928	912
Powell River	DM	13,912	13,896	13,837
Prince George	C	80,695	80,824	81,326
Prince Rupert	C	17,141	16,981	17,027
Princeton	T	2,963	2,984	2,943
Qualicum Beach	T*	7,375	7,388	7,477
Quesnel	C*	8,972	10,587	10,794
Radium Hot Springs	VL	580	605	651
Revelstoke	C	8,307	8,224	8,213
Richmond	C	161,745	163,960	165,133
Rossland	C	3,844	3,858	3,825
Saanich	DM	106,699	106,666	106,814
Salmo	VL	1,276	1,256	1,253
Salmon Arm	DM	16,172	16,281	16,322
Sayward	VL	451	432	432
Sechelt	DM	8,243	8,385	8,499
Sechelt Ind Gov Dist	IGD	873	901	884
Sicamous	DM	3,145	3,165	3,145
Sidney	T	11,222	11,199	11,105
Silverton	VL	249	240	250
Slocan	VL	350	339	337
Smithers	T	6,054	6,067	6,139
Sooke	DM*	—	—	9,662
Spallumcheen	DM	5,676	5,686	5,737
Sparwood	DM	4,150	4,162	4,167
Squamish	DM	15,317	15,355	15,357
Stewart	DM	735	702	700
Summerland	DM	10,880	10,853	10,830
Surrey	C	331,810	335,945	340,094
Tahsis	VL	901	885	896
Taylor	DM	1,132	1,210	1,258
Telkwa	VL*	1,402	1,417	1,417
Terrace	C*	13,770	13,832	13,871
Tofino	DM	1,380	1,478	1,540
Trail	C*	7,757	7,624	7,728
Tumbler Ridge	DM	3,464	2,857	2,331
Ucluelet	DM	1,738	1,764	1,824
Valemount	VL	1,393	1,361	1,356
Vancouver	C	551,758	558,084	565,905
Vanderhoof	DM	4,722	4,776	4,830
Vernon	C*	34,288	34,218	34,678
Victoria	C	75,890	75,262	74,996
View Royal	T	7,021	7,323	7,587
Warfield	VL	1,825	1,799	1,795
Wells	DM*	272	258	265
West Vancouver	DM	42,608	42,530	42,449
Whistler	DM	9,155	9,427	9,683
White Rock	C	17,665	17,568	17,371
Williams Lake	C*	11,262	11,914	12,101
Zeballos	VL	242	246	274
100 Mile House	DM	2,072	2,045	2,041
Total		3,443,766	3,469,728	3,512,499

Note: All figures correspond to municipal boundaries as of July 1 of the year stated. All figures are as of July 1 of the year stated.
C = City, T = Town, VL = Village, DM = District Municipality, IGD = Indian Government District, IM = Island Municipality.
* Denotes a boundary change between 1996 and 2000.
† Denotes a new incorporation in 1999.
Source: BC STATS

Table A1.4 Population by Region at July 1

	Region 1 Vancouver Island/Coast	Region 2 Mainland/ Southwest	Region 3 Thompson/ Okanagan	Region 4 Kootenay	Region 5 Cariboo	Region 6 North Coast	Region 7 Nechako	Region 8 Northeast
				(thousands)				
1990	611	1,837	383	137	155	67	41	59
1991[1]	629	1,885	396	138	156	68	42	60
1992	643	1,948	411	141	157	68	42	60
1993	661	2,006	428	144	161	69	42	61
1994	680	2,072	445	147	164	69	43	62
1995	695	2,136	457	150	169	70	44	64
1996[1]	706	2,200	469	153	173	71	45	65
1997	718	2,244	480	155	178	72	46	66
1998	721	2,271	486	156	179	72	46	67
1999	723	2,294	489	157	179	72	47	67
2000	726	2,317	496	158	180	72	47	67
				(percentage change)				
1991[1]	2.9	2.6	3.4	0.7	0.5	0.9	0.8	2.0
1992	2.2	3.4	3.8	2.0	0.5	0.7	0.0	0.6
1993	2.8	3.0	4.2	2.0	2.3	0.8	0.2	1.4
1994	2.9	3.2	3.9	2.4	2.3	0.9	2.0	1.7
1995	2.3	3.1	2.8	2.1	2.6	1.3	2.4	2.2
1996[1]	1.6	3.0	2.5	1.9	2.8	1.5	2.9	2.2
1997	1.7	2.0	2.4	1.2	2.6	1.4	2.5	1.6
1998	0.3	1.2	1.2	0.5	0.9	−0.7	1.1	1.4
1999	0.3	1.0	0.7	0.6	0.0	0.2	0.3	−0.4
2000	0.4	1.0	1.4	0.9	0.4	0.0	0.9	0.4

[1] Includes estimates of the net census undercount.
Source: BC STATS

Table A1.5 British Columbia Real Gross Domestic Product by Industry (at factor cost)[1]

Year	Agriculture	Fishing and Trapping	Forestry and Logging	Mining	Manufacturing	Construction	Utilities	Transportation Communication and Storage	Wholesale and Retail Trade	Finance Insurance and Real Estate	Community Business and Personal Services	Public Administration and Defence	Total
						(1992 $ millions)							
1987	681	220	2,568	1,751	8,492	4,589	2,162	6,146	7,313	10,792	16,283	4,193	65,349
1988	778	257	2,504	1,938	8,852	4,799	2,125	6,530	7,631	11,146	17,358	4,238	68,480
1989	749	340	2,398	1,797	8,963	5,591	2,123	6,584	8,220	11,722	18,036	4,265	71,027
1990	762	390	2,127	1,810	8,347	5,785	2,255	6,595	8,236	12,455	18,956	4,439	72,236
1991	773	342	1,875	1,927	7,894	5,832	2,320	6,489	8,192	13,551	19,249	4,648	73,154
1992	793	311	1,970	1,716	8,058	5,877	2,267	6,718	8,785	14,289	19,735	4,813	75,332
1993	831	400	2,354	1,881	8,193	5,950	2,153	7,126	9,318	15,086	20,707	4,954	78,953
1994	808	307	2,392	2,025	8,264	6,366	2,170	7,681	9,842	15,972	21,780	5,022	82,628
1995	911	212	2,404	2,226	8,334	6,264	2,234	7,902	9,915	16,415	22,998	5,049	84,863
1996	964	209	2,190	2,288	8,383	6,213	2,457	8,042	10,506	16,696	23,734	5,050	86,731
1997	936	257	2,214	2,381	8,597	6,547	2,321	8,188	10,981	17,238	24,556	5,044	89,258
1998	981	222	2,121	2,476	8,666	5,776	2,341	8,339	11,036	17,543	25,022	5,069	89,593
1999	1,062	214	2,524	2,328	9,145	5,728	2,358	8,865	11,518	17,881	25,234	5,108	91,965

Growth Rate

Year	Agriculture	Fishing and Trapping	Forestry and Logging	Mining	Manufacturing	Construction	Utilities	Transportation Communication and Storage	Wholesale and Retail Trade	Finance Insurance and Real Estate	Community Business and Personal Services	Public Administration and Defence	Total
						(per cent)							
1988	14.2	17.0	−2.5	10.7	4.2	4.6	−1.7	6.2	4.3	3.3	6.6	1.0	4.8
1989	−3.7	32.1	−4.2	−7.3	1.3	16.5	−0.1	0.8	7.7	5.2	3.9	0.6	3.7
1990	1.7	14.8	−11.3	0.7	−6.9	3.5	6.2	0.2	0.2	6.3	5.1	4.1	1.7
1991	1.4	−12.3	−11.8	6.5	−5.4	0.8	2.9	−1.6	−0.5	8.8	1.5	4.7	1.3
1992	2.7	−9.1	5.1	−11.0	2.1	0.8	−2.3	3.5	7.2	5.4	2.5	3.5	3.0
1993	4.8	28.6	19.5	9.6	1.7	1.2	−5.0	6.1	6.1	5.6	4.9	2.9	4.8
1994	−2.7	−23.4	1.6	7.6	0.9	7.0	0.8	7.8	5.6	5.9	5.2	1.4	4.7
1995	12.7	−30.9	0.5	9.9	0.9	−1.6	2.9	2.9	0.7	2.8	5.6	0.5	2.7
1996	5.9	−1.3	−8.9	2.8	0.6	−0.8	10.0	1.8	6.0	1.7	3.2	—	2.2
1997	−2.9	22.0	1.1	4.1	2.6	5.4	−5.5	1.8	4.5	3.2	3.5	−0.1	2.9
1998	4.8	−13.6	−4.2	4.0	0.8	−11.8	0.9	1.8	0.5	1.8	1.9	0.5	0.4
1999	8.3	−3.6	19.0	−6.0	5.5	−0.8	0.7	6.3	4.4	1.9	0.8	0.8	2.6

Share

Year	Agriculture	Fishing and Trapping	Forestry and Logging	Mining	Manufacturing	Construction	Utilities	Transportation Communication and Storage	Wholesale and Retail Trade	Finance Insurance and Real Estate	Community Business and Personal Services	Public Administration and Defence	Total
						(per cent)							
1988	1.1	0.4	3.7	2.8	12.9	7.0	3.1	9.5	11.1	16.3	25.3	6.2	100
1989	1.1	0.5	3.4	2.5	12.6	7.9	3.0	9.3	11.6	16.5	25.4	6.0	100
1990	1.1	0.5	2.9	2.5	11.6	8.0	3.1	9.1	11.4	17.2	26.2	6.1	100
1991	1.1	0.5	2.6	2.6	10.8	8.0	3.2	8.9	11.2	18.5	26.3	6.4	100
1992	1.1	0.4	2.6	2.3	10.7	7.8	3.0	8.9	11.7	19.0	26.2	6.4	100
1993	1.1	0.5	3.0	2.4	10.4	7.5	2.7	9.0	11.8	19.1	26.2	6.3	100
1994	1.0	0.4	2.9	2.5	10.0	7.7	2.6	9.3	11.9	19.3	26.4	6.1	100
1995	1.1	0.2	2.8	2.6	9.8	7.4	2.6	9.3	11.7	19.3	27.1	6.0	100
1996	1.1	0.2	2.5	2.6	9.7	7.2	2.8	9.3	12.1	19.3	27.4	5.8	100
1997	1.0	0.3	2.5	2.7	9.6	7.3	2.6	9.2	12.3	19.3	27.5	5.7	100
1998	1.1	0.2	2.4	2.8	9.7	6.4	2.6	9.3	12.3	19.6	27.9	5.7	100
1999	1.2	0.2	2.7	2.5	9.9	6.2	2.6	9.6	12.5	19.4	27.4	5.6	100

[1] At the time of writing, Statistics Canada has not yet released estimates of gross domestic product (GDP) by industry for 2000.

Note: GDP at factor cost equals GDP at market prices less indirect taxes net of subsidies.
In addition, constant dollar totals for years prior to 1991 do not sum to the published total because they include an adjustment which compensates for changes in the base year used to calculate real GDP.

Source: Statistics Canada

Table A1.6 British Columbia Nominal Gross Domestic Product (at market prices)[1]

Expenditure Based

Year	Consumer Expenditure			Current Government Expenditure	Government Investment[2]	Business Investment				Net Exports	Statistical Discrepancy	Total GDP Expenditure or Income
	Durable Goods	Semi- and Non-Durable Goods	Services			Residential Structures	Non-Residential Structures	Machinery and Equipment	Inventories			
	($ millions)											
1992[4]	6,431	17,879	31,060	19,078	2,457	8,816	3,580	4,662	(55)	(6,172)	(670)	87,066
1993	6,813	19,146	33,005	19,692	2,520	9,593	3,487	4,695	376	(4,100)	(1,405)	93,822
1994	7,600	20,058	34,987	20,630	3,071	9,888	4,633	5,541	844	(7,258)	155	100,149
1995	8,102	20,942	36,514	21,168	2,837	8,529	4,740	5,665	1,084	(4,703)	441	105,319
1996	8,246	23,351	39,461	22,009	3,076	8,404	4,376	5,371	320	(4,294)	134	108,454
1997	9,095	22,121	41,814	22,349	2,756	8,925	5,589	6,544	1,254	(6,802)	(49)	113,596
1998	8,873	22,487	43,148	23,013	2,511	7,893	4,810	7,105	1,487	(7,838)	458	113,945
1999	9,238	23,388	44,602	23,716	3,088	7,473	5,160	7,858	180	(5,553)	(367)	118,783

Growth Rate

Year	Consumer Expenditure			Current Government Expenditure	Government Investment[2]	Business Investment				Net Exports	Statistical Discrepancy	GDP Expenditure or Income
	Durable Goods	Semi- and Non-Durable Goods	Services			Residential Structures	Non-Residential Structures	Machinery and Equipment	Inventories			
	(per cent)											
1993	5.9	7.1	6.3	3.2	2.6	8.8	−2.6	0.7	—	—	—	7.8
1994	11.6	4.8	6.0	4.8	21.9	3.1	32.9	18.0	—	—	—	6.7
1995	6.6	4.4	4.4	2.6	−7.6	−13.7	2.3	2.2	—	—	—	5.2
1996	1.8	11.5	8.1	4.0	8.4	−1.5	−7.7	−5.2	—	—	—	3.0
1997	10.3	−5.3	6.0	1.5	−10.4	6.2	27.7	21.8	—	—	—	4.7
1998	−2.4	1.7	3.2	3.0	−8.9	−11.6	−13.9	8.6	—	—	—	0.3
1999	4.1	4.0	3.4	3.1	23.0	−5.3	7.3	10.6	—	—	—	4.2

Share

Year	Consumer Expenditure			Current Government Expenditure	Government Investment[2]	Business Investment				Net Exports	Statistical Discrepancy	GDP Expenditure or Income
	Durable Goods	Semi- and Non-Durable Goods	Services			Residential Structures	Non-Residential Structures	Machinery and Equipment	Inventories			
	(per cent)											
1993	7.3	20.4	35.2	21.0	2.7	10.2	3.7	5.0	0.4	−4.4	−1.5	100
1994	7.6	20.0	34.9	20.6	3.1	9.9	4.6	5.5	0.8	−7.2	0.2	100
1995	7.7	19.9	34.7	20.1	2.7	8.1	4.5	5.4	1.0	−4.5	0.4	100
1996	7.6	21.5	36.4	20.3	2.8	7.7	4.0	5.0	0.3	−4.0	0.1	100
1997	8.0	19.5	36.8	19.7	2.4	7.9	4.9	5.8	1.1	−6.0	0.0	100
1998	7.8	19.7	37.9	20.2	2.2	6.9	4.2	6.2	1.3	−6.9	0.4	100
1999	7.8	19.7	37.5	20.0	2.6	6.3	4.3	6.6	0.2	−4.7	−0.3	100

[1] At the time of writing, Statistics Canada has not yet released estimates of gross domestic product (GDP) at market prices for 2000.
[2] Includes investment in structures, machinery and equipment, and inventories.
[3] MII: miscellaneous investment income.
[4] Data for the period 1981–1991 were released by Statistics Canada July 19, 2000. Contact BC STATS for more information.
Source: Statistics Canada

Income Based

Labour Income	Corporation Profits	Interest and MIP	Accrued Net Income of Farm Operators	Net Income of Non-Farm Unincorporated Business	Inventory Valuation Adjustment	Capital Consumption Allowances	Indirect Taxes Less Subsidies	Statistical Discrepancy	Year
				($ millions)					
48,924	3,256	7,582	112	5,562	(616)	10,337	11,239	670	1992
51,312	4,194	8,028	127	6,032	(843)	10,963	12,602	1,407	1993
53,972	6,593	8,637	54	6,663	(660)	11,694	13,351	(155)	1994
56,768	7,315	8,796	89	6,755	(167)	12,473	13,731	(441)	1995
58,517	7,118	8,727	59	7,170	(231)	13,034	14,194	(134)	1996
60,684	7,913	8,627	85	7,713	90	13,677	14,758	49	1997
61,947	7,123	8,272	163	7,948	(9)	13,998	14,962	(459)	1998
63,454	8,808	8,459	213	8,269	(437)	14,416	15,233	368	1999

Growth Rate

Labour Income	Corporation Profits	Interest and MIP	Accrued Net Income of Farm Operators	Net Income of Non-Farm Unincorporated Business	Inventory Valuation Adjustment	Capital Consumption Allowances	Indirect Taxes Less Subsidies	Statistical Discrepancy	Year
				(per cent)					
4.9	28.8	5.9	13.4	8.5	—	6.1	12.1	—	1993
5.2	57.2	7.6	−57.5	10.5	—	6.7	5.9	—	1994
5.2	11.0	1.8	64.8	1.4	—	6.7	2.8	—	1995
3.1	−2.7	−0.8	−33.7	6.1	—	4.5	3.4	—	1996
3.7	11.2	−1.1	44.1	7.6	—	4.9	4.0	—	1997
2.1	−10.0	−4.1	91.8	3.0	—	2.3	1.4	—	1998
2.4	23.7	2.3	30.7	4.0	—	3.0	1.8	—	1999

Share

Labour Income	Corporation Profits	Interest and MIP	Accrued Net Income of Farm Operators	Net Income of Non-Farm Unincorporated Business	Inventory Valuation Adjustment	Capital Consumption Allowances	Indirect Taxes Less Subsidies	Statistical Discrepancy	Year
				(per cent)					
54.7	4.5	8.6	0.1	6.4	−0.9	11.7	13.4	1.5	1993
53.9	6.6	8.6	0.1	6.7	−0.7	11.7	13.3	−0.2	1994
53.9	6.9	8.4	0.1	6.4	−0.2	11.8	13.0	−0.4	1995
54.0	6.6	8.0	0.1	6.6	−0.2	12.0	13.1	−0.1	1996
53.4	7.0	7.6	0.1	6.8	0.1	12.0	13.0	0.0	1997
54.4	6.3	7.3	0.1	7.0	0.0	12.3	13.1	−0.4	1998
53.4	7.4	7.1	0.2	7.0	−0.4	12.1	12.8	0.3	1999

Table A1.7 British Columbia Real Gross Domestic Product (at market prices)[1]

Year	Consumer Expenditure: Durable Goods	Consumer Expenditure: Semi- and Non-Durable Goods	Consumer Expenditure: Services	Current Government Expenditure	Government Investment[2]	Business Investment: Residential Structures	Business Investment: Non-Residential Structures	Business Investment: Machinery and Equipment	Business Investment: Inventories	Net Exports	Statistical Discrepancy	Total GDP Expenditure
					(1992 $ millions)							
1992[3]	6,431	17,879	31,060	19,078	2,457	8,816	3,580	4,662	(55)	(6,172)	(670)	87,066
1993	6,645	18,634	31,804	19,368	2,490	9,057	3,390	4,597	412	(4,489)	(1,365)	90,543
1994	7,186	19,333	32,964	19,460	2,972	9,134	4,364	5,245	759	(8,207)	145	93,355
1995	7,500	19,862	33,825	19,161	2,683	8,042	4,376	5,421	758	(6,661)	403	95,370
1996	7,589	20,109	35,774	19,659	2,919	8,150	3,919	5,393	362	(5,942)	120	98,052
1997	8,329	20,484	37,298	19,585	2,636	8,762	4,859	6,548	1,073	(8,253)	(44)	101,277
1998	8,255	20,865	37,834	19,881	2,431	7,868	4,107	7,166	1,303	(7,906)	413	102,217
1999	8,639	21,265	38,806	20,270	3,090	7,362	4,343	8,498	150	(7,778)	(322)	104,323

Growth Rate

Year	Consumer Expenditure: Durable Goods	Consumer Expenditure: Semi- and Non-Durable Goods	Consumer Expenditure: Services	Current Government Expenditure	Government Investment[1]	Business Investment: Residential Structures	Business Investment: Non-Residential Structures	Business Investment: Machinery and Equipment	Business Investment: Inventories	Net Exports	Statistical Discrepancy	Total GDP Expenditure
					(per cent)							
1992	—	—	—	—	—	—	—	—	—	—	—	—
1993	3.3	4.2	2.4	1.5	1.3	2.7	−5.3	−1.4	—	—	—	4.0
1994	8.1	3.8	3.6	0.5	19.4	0.9	28.7	14.1	—	—	—	3.1
1995	4.4	2.7	2.6	−1.5	−9.7	−12.0	0.3	3.4	—	—	—	2.2
1996	1.2	1.2	5.8	2.6	8.8	1.3	−10.4	−0.5	—	—	—	2.8
1997	9.8	1.9	4.3	−0.4	−9.7	7.5	24.0	21.4	—	—	—	3.3
1998	−0.9	1.9	1.4	1.5	−7.8	−10.2	−15.5	9.4	—	—	—	0.9
1999	4.7	1.9	2.6	2.0	27.1	−6.4	5.7	18.6	—	—	—	2.1

Share

Year	Consumer Expenditure: Durable Goods	Consumer Expenditure: Semi- and Non-Durable Goods	Consumer Expenditure: Services	Current Government Expenditure	Government Investment[1]	Business Investment: Residential Structures	Business Investment: Non-Residential Structures	Business Investment: Machinery and Equipment	Business Investment: Inventories	Net Exports	Statistical Discrepancy	Total GDP Expenditure
					(per cent)							
1992	7.4	20.5	35.7	21.9	2.8	10.1	4.1	5.4	−0.1	−7.1	−0.8	100
1993	7.3	20.6	35.1	21.4	2.8	10.0	3.7	5.1	0.5	−5.0	−1.5	100
1994	7.7	20.7	35.3	20.8	3.2	9.8	4.7	5.6	0.8	−8.8	0.2	100
1995	7.9	20.8	35.5	20.1	2.8	8.4	4.6	5.7	0.8	−7.0	0.4	100
1996	7.7	20.5	36.5	20.0	3.0	8.3	4.0	5.5	0.4	−6.1	0.1	100
1997	8.2	20.2	36.8	19.3	2.6	8.7	4.8	6.5	1.1	−8.1	—	100
1998	8.1	20.4	37.0	19.4	2.4	7.7	4.0	7.0	1.3	−7.7	0.4	100
1999	8.3	20.4	37.2	19.4	3.0	7.1	4.2	8.1	0.1	−7.5	−0.3	100

[1] At the time of writing, Statistics Canada has not yet released estimates of gross domestic product (GDP) at market prices for 2000.
[2] Includes investment in structures, machinery and equipment, and inventories.
[3] Data for the period 1981-1991 were released by Statistics Canada July 19, 2000. Contact BC STATS for more information.
Source: Statistics Canada

Table A1.8 Employment by Industry in British Columbia

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	(thousands)												
Total — all industries	**1,435**	**1,509**	**1,555**	**1,573**	**1,620**	**1,676**	**1,754**	**1,792**	**1,821**	**1,869**	**1,870**	**1,906**	**1,949**
Primary industries	81	88	82	84	78	79	80	81	85	88	84	78	85
Agriculture	*31*	*33*	*29*	*32*	*30*	*34*	*31*	*26*	*30*	*33*	*33*	*29*	*30*
Forestry	*26*	*27*	*26*	*28*	*27*	*26*	*31*	*36*	*32*	*33*	*30*	*30*	*37*
Fishing and trapping	*6*	*7*	*7*	*7*	*5*	*6*	*6*	*5*	*5*	*5*	*4*	*4*	*5*
Mining	*18*	*20*	*19*	*18*	*16*	*12*	*12*	*14*	*18*	*17*	*17*	*15*	*13*
Manufacturing	167	178	176	169	168	179	184	189	195	197	196	192	205
Food, beverages and tobacco	*23*	*21*	*21*	*22*	*21*	*22*	*27*	*22*	*24*	*26*	*26*	*22*	*24*
Wood products	*41*	*48*	*47*	*42*	*46*	*49*	*50*	*43*	*44*	*45*	*44*	*42*	*47*
Paper	*21*	*25*	*20*	*20*	*21*	*22*	*21*	*24*	*23*	*23*	*23*	*22*	*18*
Printing and related support activities	*8*	*8*	*7*	*6*	*9*	*8*	*9*	*9*	*12*	*10*	*8*	*9*	*11*
Primary metals	*10*	*9*	*10*	*9*	*7*	*8*	*9*	*12*	*12*	*9*	*9*	*9*	*11*
Metal fabrication	*11*	*10*	*10*	*11*	*10*	*9*	*9*	*10*	*9*	*11*	*11*	*12*	*13*
Transportation equipment	*8*	*10*	*10*	*9*	*8*	*7*	*8*	*9*	*9*	*13*	*13*	*13*	*13*
Other manufacturing	*45*	*48*	*52*	*49*	*47*	*55*	*51*	*60*	*63*	*62*	*64*	*63*	*70*
Construction	94	111	120	112	114	114	126	125	120	123	118	115	113
General contractors	*43*	*46*	*47*	*47*	*43*	*42*	*47*	*44*	*42*	*39*	*37*	*42*	*42*
Special trade contractors	*51*	*64*	*72*	*65*	*72*	*72*	*78*	*82*	*77*	*84*	*81*	*74*	*71*
Utilities	10	11	13	13	11	12	13	11	11	10	11	12	11
Transportation and warehousing	89	91	91	95	101	101	99	97	99	109	106	118	114
Transportation	*86*	*88*	*89*	*92*	*99*	*95*	*96*	*93*	*96*	*103*	*103*	*114*	*111*
Warehousing and storage	*4*	*3*	*2*	*3*	*2*	*5*	*3*	*4*	*4*	*6*	*3*	*4*	*3*
Trade	247	251	263	258	265	275	289	300	294	302	294	308	303
Wholesale trade	*51*	*53*	*53*	*54*	*60*	*64*	*64*	*66*	*68*	*71*	*62*	*80*	*67*
Retail trade	*195*	*198*	*210*	*204*	*205*	*211*	*226*	*234*	*226*	*230*	*233*	*229*	*236*
Finance, insurance, real estate and leasing	93	97	100	101	109	114	118	118	124	127	123	120	120
Finance	*46*	*46*	*42*	*42*	*42*	*47*	*48*	*48*	*51*	*56*	*53*	*54*	*53*
Insurance	*14*	*17*	*20*	*25*	*24*	*22*	*25*	*22*	*24*	*27*	*24*	*23*	*28*
Real Estate	*27*	*26*	*33*	*26*	*35*	*35*	*35*	*38*	*39*	*33*	*38*	*34*	*30*
Leasing	*6*	*8*	*5*	*8*	*9*	*10*	*10*	*10*	*10*	*11*	*8*	*10*	*9*
Other service industries	574	601	621	649	674	700	746	769	787	814	845	873	908
Education and related services	*87*	*86*	*89*	*98*	*106*	*113*	*120*	*123*	*118*	*122*	*120*	*128*	*135*
Health and welfare services	*130*	*139*	*148*	*155*	*163*	*164*	*171*	*177*	*183*	*190*	*195*	*195*	*202*
Information, culture and recreation	*65*	*68*	*68*	*67*	*65*	*67*	*79*	*86*	*85*	*89*	*94*	*92*	*99*
Services to business management	*115*	*120*	*125*	*131*	*127*	*142*	*154*	*157*	*166*	*175*	*190*	*201*	*208*
Accommodation and food services	*104*	*111*	*116*	*123*	*131*	*121*	*129*	*135*	*143*	*145*	*152*	*153*	*164*
Miscellaneous services	*73*	*76*	*76*	*75*	*82*	*92*	*93*	*91*	*92*	*93*	*94*	*105*	*99*
Public administration	81	83	89	91	99	101	100	104	107	100	93	90	90
Federal administration	*28*	*29*	*32*	*37*	*35*	*34*	*33*	*33*	*37*	*34*	*29*	*32*	*32*
Provincial administration	*26*	*25*	*27*	*24*	*33*	*30*	*34*	*38*	*36*	*32*	*29*	*28*	*26*
Local administration	*27*	*29*	*30*	*31*	*32*	*38*	*33*	*34*	*34*	*34*	*35*	*31*	*31*

Source: Statistics Canada, Labour Force Survey (unpublished data).

Table A1.9 Labour Force Characteristics by Region (2000)

	Region 1 Vancouver Island/Coast	Region 2 Mainland/ Southwest	Region 3 Thompson/ Okanagan	Region 4 Kootenay	Region 5 Cariboo	Regions 6 and 7 North Coast and Nechako	Region 8 Northeast
Population 15+ (000s)	562.3	1,914.4	380.1	123.2	134.2	74.6	47.9
Labour force (000s)	353.6	1,255.1	234.2	79.2	90.5	52.9	34.6
Employment (000s)	325.8	1,177.9	212.7	71.2	81.5	47.5	32.5
Unemployment (000s)	27.5	77.2	21.5	8.0	9.0	5.4	2.1
Unemployment rate (per cent)	7.8	6.2	9.2	10.1	9.9	10.2	6.1
Participation rate (per cent)	62.9	65.6	61.6	64.3	67.4	70.9	72.2
Employment rate (per cent)	57.9	61.5	56.0	57.8	60.7	63.7	67.8

Source: Statistics Canada

Table A1.10 Capital Investment by Industry

	1999 Actual	2000 Actual	2001 Intentions	Per Cent Change 1999 to 2000	Per Cent Change 2000 to 2001
Agriculture, forestry, fishing and hunting	329.2	336.3	365.8	2.2	8.8
Mining, Oil and Gas	1,116.3	1,806.3	1,761.8	61.8	−2.5
Utilities	861.4	866.2	974.7	0.6	12.5
Construction	262.0	267.2	260.9	2.0	−2.4
Manufacturing	1,177.7	1,302.2	1,321.8	10.6	1.5
Wholesale	252.9	207.5	257.2	−18.0	24.0
Retail trade	550.7	614.9	530.8	11.7	−13.7
Transport and warehousing	1,975.4	2,403.8	2,061.3	21.7	−14.2
Information and culture	1,111.7	1,112.8	961.4	0.1	−13.6
Finance and insurance	1,679.0	1,570.2	1,524.8	−6.5	−2.9
Real estate, rental and leasing	1,203.5	1,138.5	1,045.0	−5.4	−8.2
Education	609.3	603.9	561.4	−0.9	−7.0
Health care and social	407.5	413.6	460.3	1.5	11.3
Accommodation and food	230.8	166.2	204.9	−28.0	23.3
Other[1]	574.7	592.5	682.5	3.1	15.2
Public administration	2,145.2	1,859.4	1,788.0	−13.3	−3.8
Housing	5,569.3	5,710.6	5,958.1	2.5	4.3
Total	20,056.7	20,972.2	20,720.7	4.6	−1.2
Public	4,410.4	4,368.1	4,489.7	−1.0	2.8
Private	15,646.3	16,604.1	16,231.0	6.1	−2.2
Total	20,056.7	20,972.2	20,720.7	4.6	−1.2
Machinery and equipment	6,887.0	6,993.8	7,014.4	1.6	0.3
Construction	13,169.8	13,978.4	13,706.3	6.1	−1.9
Total	20,056.7	20,972.2	20,720.7	4.6	−1.2

[1] Includes professional, scientific and technical services, management of companies, administrative, waste management and remediation, arts, entertainment and recreation, and other services.
Source: Statistics Canada

Table A1.11 British Columbia International Goods Exports by Major Market and Selected Commodities, 2000

Commodity	U.S.	Japan	European Union[1]	Other Markets	Total — All Countries
			($ millions)		
Solid wood products	6,861	2,099	356	294	9,610
Lumber (softwood)	4,620	1,643	304	260	6,827
Cedar shakes and shingles	288	0	4	2	294
Selected value-added wood products	899	124	11	10	1,044
Plywood (softwood)	106	83	34	1	224
Other	949	249	3	21	1,221
Pulp and paper products	2,572	854	1,569	1,702	6,697
Pulp	917	680	1,493	1,398	4,488
Newsprint	498	143	1	84	726
Paper, paperboard — excluding newsprint	1,040	29	74	207	1,350
Other	117	3	1	12	133
Agriculture and food other than fish	856	160	27	190	1,233
Fruit and nuts	108	11	2	13	134
Vegetables	206	10	2	11	229
Other	541	139	23	168	871
Fish products	512	234	48	101	895
Whole fish; fresh, chilled, frozen — excluding salmon	100	40	3	6	149
Whole salmon; fresh, chilled, frozen	227	28	3	10	268
Salmon; canned, smoked, etc.	7	5	40	13	65
Other	178	160	2	73	413
Metallic mineral products	580	613	16	500	1,709
Copper ores and concentrates	—	195	—	218	413
Molybdenum ores and concentrates	6	17	14	5	42
Unwrought aluminum	145	307	—	171	623
Unwrought zinc	348	9	—	96	453
Other	81	86	2	9	178
Energy products	4,782	570	240	427	6,019
Natural gas	2,479	—	0	0	2,479
Coal	98	568	239	427	1,332
Electricity	1,987	—	—	—	1,987
Other	219	2	—	—	221
Machinery and equipment	3,089	84	252	289	3,714
Motor vehicles and parts	758	8	3	29	798
Electrical/electronic/communications	548	26	34	96	704
Other	1,782	50	215	165	2,212
Plastics and articles of plastic	401	7	5	15	428
Apparel and accessories	288	6	3	2	299
All other commodities	2,142	84	41	369	2,636
Total	22,081	4,711	2,557	3,889	33,241

[1] Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and the United Kingdom.
Source: BC STATS

Table A1.12 British Columbia International Goods Exports to Major Countries and Market Areas

	1996	1997	1998	1999	2000	Change 1999-2000	Per Cent of Total 1999	Per Cent of Total 2000
			($ millions)			(per cent)		
United Kingdom	336	289	302	287	368	28.2	1.0	1.1
Germany	409	476	396	299	534	78.6	1.0	1.6
People's Republic of China	514	456	465	591	737	24.7	2.1	2.2
Hong Kong	258	352	272	256	249	−2.7	0.9	0.7
Taiwan	354	457	400	364	410	12.6	1.3	1.2
Japan	6,404	6,004	4,549	4,326	4,711	8.9	15.1	14.2
South Korea	866	953	678	754	929	23.2	2.6	2.8
India	50	64	85	58	87	50.0	0.2	0.3
Australia	243	236	226	211	240	13.7	0.7	0.7
Mexico	50	62	61	42	58	38.1	0.1	0.2
United States	13,895	14,863	16,375	19,371	22,081	14.0	67.4	66.4
Other	2,386	2,550	2,237	2,180	2,837	30.1	7.6	8.5
Total	25,765	26,761	26,045	28,738	33,241	15.7	100.0	100.0
Market Areas:								
Western Europe[1]	1,978	2,102	2,041	1,919	2,598	35.4	6.7	7.8
Pacific Rim[2]	9,226	9,027	6,970	6,934	7,902	14.0	24.1	23.8

[1] Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

[2] Australia, Brunei Darussalam, China, Fiji, Hong Kong, Indonesia, Japan, Laos, Macau, Malaysia, Mongolia, New Zealand, North Korea, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.

Source: BC STATS

Table A1.13 Historical Commodity Prices (in U.S. Dollars)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	Change 1999-2000
						($U.S.)						(per cent)
Metals												
Copper (London; $/lb)	1.21	1.07	1.04	0.87	1.05	1.33	1.04	1.03	0.75	0.72	0.82	13.9
Lead (London; $/lb)	0.37	0.25	0.24	0.19	0.25	0.29	0.35	0.28	0.24	0.23	0.21	-8.7
Zinc (London; $/lb)	0.69	0.51	0.56	0.43	0.45	0.53	0.52	0.60	0.46	0.49	0.51	4.1
Gold (London; $/troy oz)	383.94	361.74	344.18	360.29	384.18	384.27	387.78	331.23	294.78	278.99	278.76	-0.1
Silver (London; $/troy oz)	4.65	4.04	3.95	4.31	5.28	5.20	5.08	4.91	5.57	5.23	4.95	-5.4
Molybdenum (weekly average price from MetalPrices.com; $/lb)	2.58	2.13	1.92	2.28	4.61	7.32	3.61	4.32	3.45	2.70	2.66	-1.5
Aluminum (London; $/lb)	0.76	0.61	0.59	0.54	0.70	0.82	0.67	0.72	0.62	0.62	0.70	12.9
Forest Products												
Lumber (Madison's Lumber Reporter; WSPF, $/1000 bd ft)	188	189	227	337	343	251	352	353	286	341	255	-25.2
Pulp (Northern Europe; $/tonne, transaction price)	812	572	554	427	513	883	590	566	514	522	681	30.3
Newsprint (Pulp and Paper Week; $/tonne)	558	543	429	442	465	674	652	560	595	514	564	9.8
Hemlock baby squares (Madison's Lumber Reporter; 3 9/16")	—	—	—	—	852	862	796	822	556	584	565	-3.2
Other												
Oil (West Texas Intermediate; $/barrel)	24.51	21.34	20.63	18.37	17.28	18.38	21.95	20.68	14.46	19.33	30.23	56.4
Natural gas (Sumas; $/MmBTU)	—	—	—	1.87	1.60	1.03	1.35	1.71	1.61	2.15	4.29	99.5
Electricity (Mid Columbia Index, in US$/MW.h)	—	—	—	—	—	—	—	—	—	26.58	137.64	417.8

Source: Ministry of Finance

Table A1.14 Historical British Columbia Farm Cash Receipts[1]

Year	Crops			Livestock			Other	Total
	Floriculture and Nursery	Fruits and Vegetables Including Potatoes	Grain and Other Crops	Dairy Products	Poultry and Eggs	Other Livestock and Products		
	($ millions)							
1986	92	222	50	232	159	267	85	1,106
1987	101	231	52	231	170	284	52	1,122
1988	143	234	76	237	177	257	83	1,206
1989	155	236	74	243	198	273	76	1,255
1990	195	210	71	250	214	294	64	1,299
1991	203	248	73	258	216	279	63	1,340
1992	191	293	82	260	217	318	67	1,427
1993	198	274	94	268	234	342	42	1,452
1994	207	305	127	282	255	337	30	1,543
1995	217	366	147	292	268	283	25	1,599
1996	263	356	153	306	307	294	32	1,712
1997	288	357	125	323	297	335	34	1,759
1998	301	388	128	333	305	346	34	1,835
1999	301	438	135	340	304	375	41	1,934
2000[2]	385	434	135	337	314	433	39	2,076

[1] Farm cash receipts exclude inter-farm sales within the province and on-farm use of own products.
[2] Preliminary.
Source: Statistics Canada

Table A1.15 Historical British Columbia Fish Production

Year	Total Landed Value[1]	Wholesale Value[2]					
		Salmon[3]	Halibut[4]	Herring	Ground-fish[5]	Shellfish[6]	Total Wholesale
		($ millions)					
1990	559	649	28	169	117	69	1,032
1991	492	499	29	147	130	72	877
1992	533	496	24	137	133	117	907
1993	605	605	38	172	123	120	1,058
1994	735	647	53	194	130	138	1,162
1995[7]	601	501	46	208	131	149	1,035
1996[7]	590	448	51	191	141	154	985
1997[8]	604	536	59	117	133	158	1,018
1998[8]	547	472	71	108	140	153	960
1999[8]	614	498	59	119	158	159	1,005
2000[9]	643	523	60	131	134	175	1,023

[1] Landed value is the value of raw fish landed at the dock.
[2] Wholesale value includes the value of fish wholly or partially processed, and raw fish sold through brokers.
[3] Includes salmon aquaculture production and production derived from U.S. salmon.
[4] Includes halibut landings at U.S. ports by British Columbia fish harvesters.
[5] Includes hake landings to foreign vessels, plus minor fish species not listed.
[6] Includes farmed shellfish.
[7] Revised.
[8] Estimate.
[9] Preliminary estimate.
Note: Totals may not add due to rounding.
Source: Ministry of Agriculture, Food and Fisheries

Table A1.16 Volume of Mature Timber as of December 2000

Species	Coast Volume	Per Cent of Coast	Interior Volume	Per Cent of Interior	Total Volume	Per Cent of Total
	(million cubic metres)		(million cubic metres)		(million cubic metres)	
Lodgepole pine	16.0	0.6	2,220.0	32.2	2,236.0	22.8
Spruce	103.0	3.5	2,007.0	29.1	2,110.0	21.5
Hemlock	1,374.0	47.3	505.0	7.3	1,879.0	19.2
Balsam	288.0	9.9	1,012.0	14.7	1,300.0	13.3
Cedar	785.0	27.0	131.0	1.9	916.0	9.3
Douglas fir	288.0	9.9	495.0	7.2	783.0	8.0
Deciduous	50.0	1.7	458.0	6.6	508.0	5.2
Other coniferous	—	—	66.0	1.0	66.0	0.7
Total	2,904.0	100.0	6,894.0	100.0	9,798.0	100.0

Note: Total of timber supply areas and tree farm licences. Mature volumes represent gross volumes less decay, waste and breakage.
Source: Ministry of Forests

Table A1.17 British Columbia Forest Sector Economic Activity Indicators

Indicator	1996	1997	1998	1999	2000	Change[1] 1999–2000
Wood production			(million cubic metres)			(per cent)
Timber harvest	75.2	68.6	65.0	76.0	77.0	1.3
Lumber	32.7	32.4	29.9	31.5	32.1	1.9
Plywood	1.48	1.48	1.39	1.54	1.54	—
			(million tonnes)			
Timber scaled by species						
Lodgepole pine	20.4	18.5	17.7	22.0	22.2	0.9
Spruce	14.2	12.0	12.3	12.5	12.1	−3.2
Hemlock	10.9	10.0	8.4	10.5	11.0	4.8
Douglas fir	8.3	8.3	8.4	11.0	10.6	−3.6
Balsam	10.6	9.2	8.0	8.8	8.9	1.1
Cedar	6.5	6.3	6.1	6.6	7.3	10.6
All others	4.3	4.3	4.1	4.6	4.9	6.5
Total[2]	75.2	68.6	65.0	76.0	77.0	1.3
			(million tonnes)			
Pulp and paper production	7.20	7.18	7.03	8.01	8.29	3.5
Market pulp	4.39	4.53	4.46	5.00	5.15	3.0
Newsprint, paper and paperboard	2.80	2.65	2.57	3.02	3.13	3.6
Industrial product price indices			(1992=100)			
Softwood lumber — British Columbia	159.6	167.8	145.3	167.8	139.9	−16.6
Douglas fir plywood	133.1	131.9	121.9	144.3	125.1	−13.3
Bleached sulphate pulp for export	121.9	117.3	114.7	116.7	149.9	28.4
Newsprint for export	155.9	135.0	150.6	129.9	139.8	7.6

[1] Percentage change based on unrounded numbers.
[2] Total may not add due to rounding.
Sources: Timber harvest — Ministry of Forests.
Lumber and plywood production — Statistics Canada.
Pulp and paper production — Canadian Pulp and Paper Association.
Industrial product price indices — Statistics Canada.

Table A1.18 Mineral Production, 1999 and 2000

	Unit	1999 Quantity	1999 Value	2000[1] Quantity	2000[1] Value
		(thousands)	($ millions)	(thousands)	($ millions)
Metals					
Copper	(kilograms)	178,300	418.6	270,500	730.0
Gold	(grams)	24,950	332.3	25,170	335.1
Lead	(kilograms)	40,278	30.0	46,931	29.9
Molybdenum	(kilograms)	6,250	59.6	6,970	64.4
Silver	(grams)	497,300	124.7	586,800	139.6
Zinc	(kilograms)	126,100	201.7	145,500	247.4
Other		—	16.0	—	25.7
Total		—	1,183.0	—	1,572.1
Industrial minerals					
Barite	(tonnes)	—	3.0	—	0.6
Sulphur in smelter gas	(tonnes)	74	4.9	68	4.5
Others		—	42.9	—	46.4
Total		—	50.8	—	51.5
Structural materials					
Cement	(tonnes)	1,643	168.1	1,679	171.6
Sand and gravel	(tonnes)	32,615	164.0	33,558	163.4
Stone	(tonnes)	7,449	56.6	6,156	47.9
Other		—	84.9		112.7
Total		—	417.0	—	447.7
Coal					
Metallurgical	(tonnes)	23,233	871.0	24,790	773.8
Thermal	(tonnes)	1,577	43.9	1,362	26.1
Total coal	(tonnes)	24,810	915.0	26,152	799.9
Total solid minerals		—	2,565.0	—	2,871.2

[1] Estimate.
Conversion table:
0.9072 tonnes = one ton.
0.4536 kilograms = one pound.
31.1035 grams = one troy ounce.
Source: Ministry of Energy and Mines

Table A1.19 Historical Value of Metal Production

Year	Copper	Gold	Lead	Molyb-denum	Silver	Zinc	Other	Total
				($ millions)				
1989	1,003	236	46	112	105	241	13	1,756
1990	985	242	16	88	115	103	6	1,545
1991	847	238	33	67	74	152	7	1,417
1992	892	219	42	55	53	171	5	1,437
1993	721	212	22	58	30	102	8	1,176
1994	797	206	43	113	29	157	9	1,354
1995	1,119	328	51	203	106	192	17	2,017
1996	725	306	53	100	109	215	29	1,537
1997	697	258	40	88	101	290	22	1,496
1998	681	303	24	99	119	231	21	1,464
1999	419	332	30	60	125	202	16	1,184
2000e	730	335	30	64	140	247	26	1,572

e Estimate.
Source: Ministry of Energy and Mines

Table A1.20 Historical Value of Mineral, Petroleum and Natural Gas Production

Year	Metals	Industrial Materials	Structural Materials	Coal	Crude Oil[1]	Natural Gas to Pipeline	Other Oil and Gas[2]	Total
				($ millions)				
1989	1,757	125	297	1,001	263	495	25	3,963
1990	1,546	119	313	980	319	537	43	3,857
1991	1,419	86	312	938	260	562	36	3,613
1992	1,438	45	305	749	260	592	38	3,427
1993	1,175	41	335	797	233	814	42	3,437
1994	1,354	47	370	905	235	991	44	3,946
1995	2,016	58	395	968	272	710	58	4,477
1996	1,537	42	398	1,110	441	817	75	4,420
1997	1,495	47	398	1,191	403	1,087	98	4,719
1998	1,484	49	404	1,088	373	1,154	47	4,598
1999	1,183	51	416	915	466	1,644	47	4,722
2000e	1,572	51	448	800	837	3,761	108	7,577

e Estimate.
[1] Includes Pentanes and Condensate.
[2] LPG's and Sulphur.
Source: Ministry of Energy and Mines

Table A1.21 Petroleum and Natural Gas Activity Indicators

Indicator	Unit of Measure	1998	1999	2000	Change 1999–2000
					(per cent)
Natural gas production (wellhead)[1]	(billion cubic metres)	25.3	25.9	26.6	2.7
Crude oil and condensate	(million cubic metres)	2.8	2.4	2.7	12.5
Wells authorized	(number)	694	829	1,009.0	21.7
Wells drilled	(number)	652	620	753	21.5
Seismic crew-weeks	(number)	112	105	140	33.3
Provincial reserves					
Marketable gas (remaining reserves)	(billion cubic metres)	226	237	295	24.5
Oil (remaining reserves)	(million cubic metres)	25	26	27.4	5.4
Provincial government petroleum and natural gas revenue[2]	($ millions)	379.6	587.3	1,294.1	120.3

[1] Includes gas retrieved from storage of 1.1 billion m^3.
[2] Includes Crown royalties, Crown reserve disposition bonuses, fees and rentals.
Source: Ministry of Energy and Mines

Table A1.22 Value of Manufacturing Shipments

Industry	1998	1999	2000	Per Cent of Total Manufacturing	Per Cent Change 1999-2000
		($ millions)			
Wood	10,239	12,201	12,303	32.0	0.8
Paper and allied products	5,790	6,397	7,930	20.6	24.0
Food	3,511	3,502	3,477	9.0	−0.7
Fabricated metal products	1,877	1,953	2,105	5.5	7.8
Refined petroleum and coal	1,251	1,391	932	2.4	−33.0
Primary metals	1,021	1,015	1,082	2.8	6.6
Transportation equipment	1,636	1,851	1,570	4.1	−15.2
Machinery (except electrical)	1,153	1,193	1,105	2.9	−7.3
Printing and publishing	1,290	1,270	1,306	3.4	2.8
Electrical and electrical products	1,378	1,229	1,416	3.7	15.2
Chemicals and chemical products	983	945	1,038	2.7	9.9
Non-metallic mineral products	986	964	965	2.5	0.1
Beverages	765	791	795	2.1	0.4
Plastics	666	776	818	2.1	5.5
Clothing	296	333	346	0.9	3.7
Furniture and fixtures	276	323	346	0.9	7.1
Textile products	142	179	188	0.5	5.0
Other	631	681	729	1.9	7.0
Total	33,890	36,994	38,450	100.0	3.9

Note: Based on the 1980 Standard Industrial Classification.
Source: Statistics Canada

Table A1.23 Supply and Consumption of Electrical Energy in British Columbia

Year	Supply					Consumption	
	Net Generation			Receipts From Other Provinces and Imports	Total Provincial Supply	Delivered To Other Provinces and Exports	Total Provincial Consumption
	Hydro	Thermal	Total Provincial Generation				
				(gigawatt-hours[1])			
1989	51,082	6,573	57,655	4,500	62,155	6,583	55,572
1990	57,245	3,417	60,662	3,233	63,895	6,689	57,206
1991	60,149	2,832	62,981	2,272	65,253	7,725	57,528
1992	60,555	3,503	64,058	2,685	66,743	9,473	57,270
1993	53,057	5,716	58,774	5,691	64,465	5,605	58,860
1994	53,979	7,036	61,015	7,836	68,851	9,541	59,311
1995	49,814	8,192	58,006	6,385	64,391	3,972	60,419
1996	67,329	4,436	71,765	3,289	75,053	10,390	64,664
1997	61,772	5,189	66,961	4,316	71,278	12,114	59,163
1998	60,849	6,861	67,710	5,056	72,766	10,619	62,147
1999	61,588	6,457	68,045	6,807	74,851	12,529	62,322
2000	59,754	8,485	68,239	5,792	74,032	11,165	62,867

[1] Gigawatt-hour=one million kilowatt-hours.
Source: Statistics Canada

Table A1.24 British Columbia Retail Sales by Trade Group

Trade Group	1997	1998	1999	2000	Change 1999–2000
	($ millions)				(per cent)
Supermarkets and grocery stores	7,781	7,628	7,688	8,020	4.3
All other food stores	624	566	567	583	2.8
Drugs and patent medicine stores	1,776	1,686	1,792	1,907	6.4
Shoe stores	188	195	204	214	5.0
Men's clothing stores	199	187	182	177	−2.8
Women's clothing stores	542	530	537	555	3.3
Other clothing stores	769	784	845	935	10.6
Household furniture and appliance stores	1,486	1,446	1,504	1,619	7.7
Other household furnishings stores	418	402	431	431	—
Motor vehicle and recreation vehicle dealers	8,253	7,837	7,863	8,590	9.2
Gasoline service stations	2,442	2,405	2,325	2,776	19.4
Automotive parts, accessories and services	1,635	1,646	1,731	1,837	6.1
General merchandise stores	3,715	3,772	3,976	4,022	1.2
Other semi-durable goods stores	1,220	1,138	1,133	1,126	−0.6
Other durable goods stores	1,035	1,125	1,137	1,209	6.3
Other retail stores	1,655	1,704	1,770	1,821	2.9
Total — all stores	33,736	33,050	33,684	35,821	6.3

Source: Statistics Canada

Table A1.25 British Columbia Financial Activity Indicators

Indicator	Units	1998	1999	2000	Change 1999–2000
					(per cent)
Chartered banks					
Employees (July)	(number)	25,925	25,900	26,835	3.6
Branches (October)	(number)	945	969	930	−4.0
Automated banking machines (October)	(number)	2,165	2,321	2,410	3.8
Business loans outstanding (December)[1]	($ millions)	14,708	14,114	13,829	−2.0
Personal loans outstanding (December)	($ millions)	13,058	15,019	18,634	24.1
Credit unions (December)					
Credit unions	(number)	86	78	70	−10.3
Members	(thousands)	1,423	1,435	1,400	−2.4
Total assets	($ millions)	21,344	22,178	23,400	5.5
Bloomberg British Columbia Stock Index annual close	Dec 1994 = 100	107.4	121.9	126.7	3.9

[1]Excludes agricultural loans.

Sources: Chartered Banks — Canadian Bankers' Association and Bank of Canada.
Credit Unions — Credit Union Central of BC.
Bloomberg.

Table A1.26 British Columbia Real Estate Market Indicators

Indicator	1997	1998	1999	2000	Change 1999-2000
					(per cent)
Housing starts (number)					
Single-detached	12,911	8,691	8,731	7,448	−14.7
Semi-detached	1,979	1,218	816	885	8.5
Row	3,469	2,117	1,444	1,675	16.0
Apartment and other	10,992	7,905	5,318	4,410	−17.1
Total	29,351	19,931	16,309	14,418	−11.6
Multiple listing service activity					
Sales of listed homes (number)	68,182	52,910	58,084	54,179	−6.7
Average price (dollars)	219,962	212,144	215,043	221,222	2.9
Apartment vacancy rates[1] (per cent)					
Vancouver	1.7	2.7	2.7	1.4	—
Victoria	3.4	3.8	3.6	1.8	—
Kamloops	4.7	9.1	8.5	8.1	—
Kelowna	3.9	4.4	2.0	2.1	—
Prince George	5.6	12.2	15.8	15.3	—
Cranbrook	10.9	12.5	9.4	7.1	—

[1] October vacancy rate survey.
Sources: Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

Table A1.27 British Columbia Tourism Revenue and Overnight Visitors

Origin	Revenue		Revenue Change	Overnight Visitors		Visitor Change
	1999	2000[1]	1999–2000	1999	2000[1]	1999–2000
	($ millions)		(per cent)	(thousands)		(per cent)
British Columbia	2,416	2,476	2.5	10,654	10,761	1.0
"Short haul" regional						
Alberta	1,344	1,392	3.6	2,938	2,997	2.0
Other Canadian	392	402	2.6	708	715	1.0
Washington State	814	838	2.9	2,292	2,324	1.4
Oregon State	145	149	2.8	329	334	1.5
Other United States	91	93	2.2	314	318	1.3
Subtotal	2,786	2,874	3.2	6,581	6,688	1.6
North America "long haul"						
Ontario	737	763	3.5	889	907	2.0
Other Canadian	270	277	2.6	292	295	1.0
California/Hawaii	488	502	2.9	806	818	1.5
Other United States	717	738	2.9	1,158	1,174	1.4
Mexico	41	45	9.8	59	63	6.8
Subtotal	2,253	2,325	3.2	3,204	3,257	1.7
Asia and Oceania						
Japan	289	290	0.3	300	296	−1.3
Hong Kong	95	92	−3.2	86	82	−4.7
Taiwan	145	152	4.8	114	118	3.5
South Korea	59	84	42.4	61	85	39.3
Australia	152	173	13.8	129	144	11.6
New Zealand	38	35	−7.9	32	29	−9.4
Other Asia/Pacific	133	160	20.3	121	142	17.4
Subtotal	911	986	8.2	843	896	6.3
Europe						
United Kingdom	288	326	13.2	267	298	11.6
Germany	163	154	−5.5	134	125	−6.7
Switzerland	32	32	—	26	26	—
Austria	11	12	9.1	9	9	—
France	33	26	−21.2	40	31	−22.5
Netherlands	50	54	8.0	61	65	6.6
Italy	19	16	−15.8	23	19	−17.4
Other Europe	87	93	6.9	111	117	5.4
Subtotal	683	713	4.4	671	690	2.8
Other overseas	74	79	6.8	144	153	6.3
Total	9,123	9,453	3.6	22,097	22,445	1.6

[1] Preliminary estimates.
Source: Tourism British Columbia

Table A1.28 British Columbia High-Technology Sector Activity

Indicator	1995	1996	1997	1998	1999	2000	Change 1999–2000
							(per cent)
Number of Establishments							
Manufacturing	1,238	1,294	1,402	1,422	1,488	1,463	−1.7
Services	3,878	4,434	4,930	5,421	5,861	6,323	7.9
Total	5,116	5,728	6,332	6,843	7,349	7,786	5.9
Employment (persons)							
Manufacturing	7,330	8,120	9,580	9,840	12,350	14,290	15.7
Services	31,890	33,530	35,650	37,200	40,040	46,600	16.4
Total	39,220	41,650	45,230	47,040	52,390	60,890	16.2
Wages and Salaries ($ millions)							
Manufacturing	266	325	398	427	559	668	19.5
Services	1,377	1,455	1,604	1,647	1,810	2,143	18.4
Total	1,643	1,780	2,002	2,074	2,369	2,811	18.7
Shipments ($ millions)	1,240	1,514	1,618	1,758	1,592	1,766	10.9
Exports ($ millions)	563	512	610	770	818	947	15.8

Source: BC STATS

Table A1.29 British Columbia Population by Age Group

Age Group	At July 1				Change 1999–2000
	1999		2000		
	(thousands)	(per cent)	(thousands)	(per cent)	(per cent)
0 – 4	229	5.7	222	5.5	−3.0
5 – 17	676	16.8	676	16.6	—
18 – 24	373	9.3	379	9.3	1.6
25 – 44	1,294	32.1	1,286	31.6	−0.6
45 – 64	938	23.3	974	24.0	3.8
65 and over	519	12.9	528	13.0	1.7
Total British Columbia	4,028	100.0	4,064	100.0	0.9

Note: Totals may not add due to rounding.
Source: Statistics Canada

The Financial Cycle — Government Ministries and Offices

In September 1999, the Budget Process Review Panel recommended that the government shift the focus of its budgeting and reporting to the summary accounts basis, which includes Crown corporations and agencies. The panel also recommended the adoption of specific financial reporting deadlines. The provincial government adopted the majority of the panel's recommendations with the passage of the *Budget Transparency and Accountability Act* (BTAA) in June 2000. Many of the recommendations were implemented prior to passage of the legislation, including presentation of the *Quarterly Report* and 2000 *Estimates* on the summary accounts basis, and inclusion of revised forecasts in the *Quarterly Reports*.

While most of the reporting requirements set out in the BTAA were in force for the 2000/01 fiscal year, some requirements are being phased in over subsequent financial cycles. The 2000/01 financial cycle includes reporting on the advice of the Economic Forecast Council, annual performance plans for each ministry and government organization, and publication of *Quarterly Reports*, with revised forecasts, according to the legislated schedule. The legislation also imposes a deadline on the release of the government's *Public Accounts*.

Chart A2.1 summarizes the annual financial process of the provincial government in 2000/01, including certain government organizations that depend on direct financial assistance from provincial government ministries. This process consists of four main stages.

- *Planning and Budget Preparation* — The financial process begins with the setting of global fiscal targets. Longer-term estimates of revenue, expenditure, capital and debt are reviewed by Treasury Board and a preliminary fiscal plan is established within the framework of the government's overall strategic plan. High-level targets are then provided to ministries and Crown corporations so they can begin to prepare budgets.

  Each ministry or Crown corporation identifies activities that require government funding and submits a proposed budget for review by Treasury Board. The budget usually includes a request for operating funding as well as capital funding. Decisions are made on individual budgets based on government revenue expectations, spending and capital priorities and debt targets within the context of the overall fiscal target set earlier by Treasury Board.

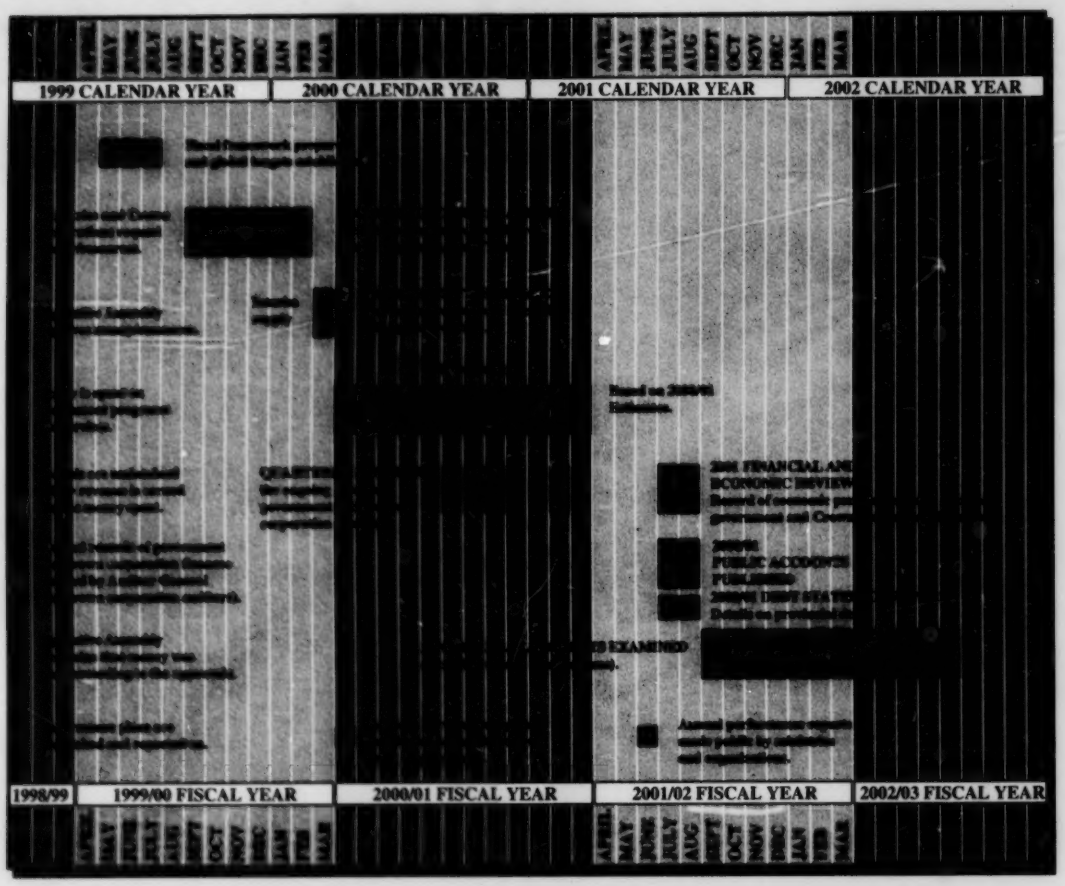
  Under the BTAA, a consultation paper is required to be made public by October 31st of each year, which updates the fiscal forecast and invites public comment on issues that need to be addressed in the next budget. The first consultation paper was released in October 2000, in preparation for the 2001/02 fiscal year.

- *Implementation and Reporting* — the budget is presented to the Legislative Assembly by the Minister of Finance and is accompanied by a document called the *Estimates*. The *Estimates* document lays out the government's revenue, expenditure and capital plan for the next fiscal year, and also provides other information on the government's finances.

  Spending for programs and services, including capital under each ministry is grouped in the *Estimates* into packages or "votes", so called because the legislature debates and then votes on each package. *Interim Supply Acts* are passed to authorize government spending while the *Estimates* are being debated. After all votes have been approved, the Legislative Assembly passes a final *Supply Act* to authorize operating and capital spending for the fiscal year.

  Under the BTAA, the government is required to present a strategic plan when, or before, the *Estimates* are tabled. In addition, a report on major capital projects (those whose cost exceed $50 million) must also be tabled. The act requires that ministries and organizations prepare and publicly release their annual performance plans in April of each year.

Chart A2.1 The Financial Planning and Reporting Cycle



Throughout the year, the authorized money is spent on programs and services as specified in the *Estimates* and approved ministry spending and performance plans. Crown corporations follow approved performance plans under direction of their own Boards of Directors. During the fiscal year, Treasury Board closely monitors the financial activities of the government and its Crown corporations and agencies. Records are maintained of how the money is collected and spent, and *Quarterly Reports* are published by legislated fixed dates to provide regular public updates on the government's finances.

- *Evaluation* — at the end of the fiscal year, the *Public Accounts* are prepared by the Comptroller General and examined by the Auditor General to ensure that the financial statements fairly present the government's financial position.

- *Accountability* — in June, ministries and most Crown corporations are required to publish annual reports on the results for the previous fiscal year. The *Public Accounts* are published by August 31st and are presented to the Legislative Assembly. The Public Accounts Committee (a committee of the Legislative Assembly) examines them to ensure that government spending was in accordance with what was approved.

The *British Columbia Financial and Economic Review* is also published, which provides an overview of annual and historical financial and economic results, as well as descriptions of government programs and the activities of the government's Crown corporations and agencies during the year. The government also issues the *Debt Statistics Report* to provide detailed information on the debt of the government and its Crown corporations and agencies, and various indicators of debt performance and management.

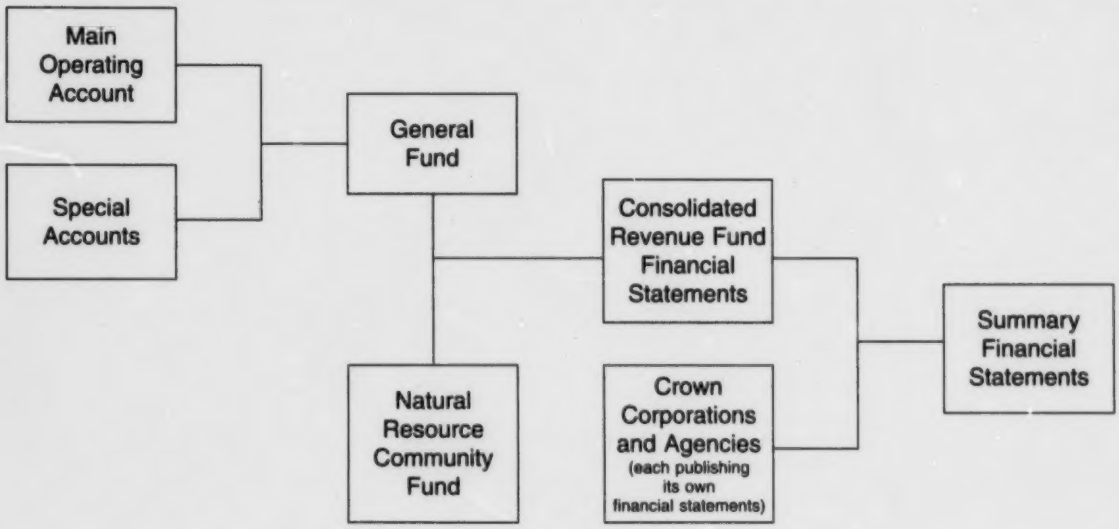
Government, Crown Corporation and Agency Accounts and Financial Statements

The government conducts its activities through ministries, Crown corporations and agencies. Information on the combined financial results of the government and its Crown corporations and agencies is presented in the government's summary financial statements, or summary accounts, which are published as part of the annual *Public Accounts*.

Consolidated Revenue Fund

The accounts relating to the government's own activities are contained in the consolidated revenue fund. In 2000/01, the consolidated revenue fund included the general fund with its various special accounts, and one special fund — the natural resource community fund. The consolidated revenue fund comprises all money over which the legislature has the power of appropriation (see Chart A2.2).

Chart A2.2 Components of the Provincial Government's Consolidated Revenue Fund and Summary Financial Statements — 2000/01


Main Operating Account
Special Accounts
General Fund
Natural Resource Community Fund
Consolidated Revenue Fund Financial Statements
Crown Corporations and Agencies (each publishing its own financial statements)
Summary Financial Statements

Transactions of the consolidated revenue fund are reported in the government's consolidated revenue fund financial statements, which are published as part of the government's annual *Public Accounts*. These statements also include transactions between the government and its Crown corporations and agencies. Revenue and expenditure of the consolidated revenue fund are recorded on an accrual basis of accounting, with certain limited exceptions. Assets are recorded on the government's balance sheet to the extent that they represent financial claims by the government upon outside parties; are items held for resale, prepaid expenses, deferred charges, or prepaid capital advances; or are tangible capital assets acquired. Similarly, liabilities are recorded only if they represent actual or probable financial claims against the government.

Crown Corporations and Agencies

Crown corporations and agencies may be classified as either taxpayer-supported or self-supported. Taxpayer-supported Crown corporations and agencies may sell services directly to the public, but their revenue may not cover operating expenses and debt servicing payments. In these cases, the government provides some grants or other forms of assistance to them, including the dedication of provincial revenue. This category also

includes Crown corporations whose primary purpose is to provide services to the government. Self-supported Crown corporations and agencies are not taxpayer-supported as they generate sufficient revenue to cover operating and debt service costs, and may pay dividends to the provincial government. The operations of Crown corporations and agencies are recorded in their own financial statements, which are subject to audit by the Auditor General or by private-sector auditors. Details on the financial results of individual Crown corporations and agencies are not published in the *Public Accounts*, but are available on the Ministry of Finance website at http://www.fin.gov.bc.ca.

Summary Accounts

The financial results of the consolidated revenue fund and the Crown corporations and agencies are combined into the summary accounts.

The accounting policies and practices of individual Crown corporations and agencies may be different from those used by the central government in preparing its own consolidated revenue fund financial statements. Financial statements of taxpayer-supported Crown corporations and agencies are usually adjusted to conform to the government's accounting policies in preparing the summary financial statements. For example, in 1999/00, the provincial government transferred ownership of provincial highways to the BC Transportation Financing Authority (BCTFA). BCTFA records this transfer as a deferred contribution to be amortized as revenue and amortization expense over the remaining useful life of the highways.

In preparing the summary financial statements, BCTFA's deferred capital contribution is eliminated so that the summary accounts only reflect the effect of the annual amortization expense of provincial highway assets.

Consistent with the practice followed in 1999/00, and with the practices followed in most other jurisdictions in Canada, the summary accounts do not include the financial results (revenues, expenditures, assets and liabilities) for universities, colleges, school districts, hospital districts and health care organizations. Although the government continues to publish separate financial information on these sectors as part of the annual *Public Accounts*, the Auditor General has, nevertheless, expressed a reservation that these organizations should be included in the summary financial statements of the provincial government. The government is continuing to work with the Auditor General on this issue.

In this appendix, current and historical operating results are presented for the government's summary accounts in accordance with the government's accounting policies effective March 31, 2001.

Accounting Changes Effective in 2000/01

Capitalization

Up until 1995/96, the provincial government treated most annual capital expenditures on a "pay-as-you-go" basis. For the most part, Crown corporation statements were adjusted to this basis when preparing the government's summary financial statements. This method of accounting has sometimes been referred to as the "expenditure basis" of accounting. Capitalization is a process of replacing, in the government's annual budgetary expenditures, amounts spent to acquire tangible capital assets with amortization expenses associated with those assets. This method of accounting is sometimes referred to as the "expense basis" of accounting. Capitalization of tangible capital assets does not affect the amount of provincial debt reported in a particular year.

Beginning with the 1995/96 *Public Accounts*, the government began phasing in an accounting policy to capitalize and amortize the costs of certain tangible assets. Figures for the fiscal year 1995/96 onwards are presented using the expense basis of accounting that incorporates the government's capitalization accounting policies effective March 31, 2001, and are based on the 2000/01 *Public Accounts*.

The provincial government also issues advances to educational and health facility operators for investment in capital assets. Prior to 19997/98, these advances were categorized as loans. Beginning with the 1997/98 *Public Accounts*, these advances have been capitalized in the summary accounts balance sheet as prepaid capital advances. Prepaid capital advances are amortized similar to tangible capital assets.

Effective in 2000/01, the government's capitalization accounting policy has been extended to include expenditures for office furniture and equipment, consistent with the recommendations of the provincial Auditor General.

The following table illustrates the effect of phasing in capitalization accounting policy on the government's summary accounts surplus (deficit) for 1996/97 to 2000/01. The table shows that excluding the effect of capitalization, the 2000/01 surplus was $369 million, compared to a $778-million deficit in 1999/00. Additional information on the government's capitalization accounting policy is shown in the 2000/01 *Public Accounts*.

Table A2.1 Effects of Capitalization on the Summary Accounts

	1996/97	1997/98	1998/99	1999/00	2000/01
			($ millions)		
Surplus (deficit) excluding effects of capitalization	(856)	(298)	(1,184)	(778)	369
Adjustments to include capitalization policy:					
Deduct: cost of capital asset investments during the year	1,467	1,147	1,689	1,900	2,028
Add: amortization and asset valuation adjustments	(996)	(1,016)	(1,508)	(1,082)	(899)
Net adjustment	471	131	181	818	1,129
Surplus (deficit) after capitalization	(385)	(167)	(1,003)	40	1,498

The five-year summary accounts balance sheet in Table A2.6 reflects the government's capitalization policies in effect as at March 31, 2001.

Other Accounting Changes

In 1999/00, the provincial government changed its accounting treatment to recognize the estimated costs of post-employment benefits and retirement allowances earned by employees as provided for under collective agreements and terms of employment.

In 2000/01, the provincial government changed its accounting treatment for 552513 British Columbia Ltd., the majority shareholder of Skeena Cellulose Inc. Previously, the company was accounted for as a self-supported commercial Crown corporation. Due to a revised outlook for world pulp prices and its effect on the finances of Skeena Cellulose Inc. that depend on government assistance, 552513 British Columbia Ltd. has been reclassified as a taxpayer-supported Crown corporation starting in 2000/01.

Unfunded Pension Liabilities

As noted in Chapter 2, the provincial government's other liabilities include the unfunded portion of pension liabilities associated with certain pension funds it administers. These liabilities are reflected in the government's financial statements and are subject to new actuarial valuations undertaken by independent actuaries at periodic intervals (usually every three years).

Factors of an actuarial valuation that may give rise to a change in the unfunded liability include plan benefit payment experience; fund investment returns; changes to plan benefits or contribution rates; changes to actuarial assumptions (e.g. projected life expectancies/mortality rates of plan beneficiaries); and the expected average remaining service life (EARSL) of associated employee groups — the number of years an average employee has until retirement. Consistent with government accounting policy, changes to an unfunded liability resulting from an actuarial review are amortized as annual increases or reductions to provincial government expenditures over the EARSL of the associated employee group.

In 2000/01, the provincial government began negotiating joint trusteeship arrangements with members of the various pension plans it administers. Joint trusteeship removes the government as the sole sponsor of a pension plan and is replaced by a pension board made up from representatives from government and plan members. Under joint trusteeship, the government no longer has a claim to actuarial surpluses in the plan.

If a plan has an actuarial surplus when joint trusteeship is established, any liability or surplus recorded on the provincial government's balance sheet is expensed. If a plan had an actuarial liability when joint trusteeship is established, the provincial government is still liable for half of the unfunded liability. As of March 31, 2001, the province had successfully concluded a joint trusteeship arrangement for the Public Service Pension Plan. On April 5, 2001 (after the 2000/01 fiscal year-end) joint trusteeship was concluded for the Teachers' Pension and Municipal Superannuation Plans.

The following table provides details of the latest actuarial estimates of unfunded pension plan liabilities or surpluses for pension plans that were under sole sponsorship by the provincial government as of March 31, 2001. The Colleges Pension Plan is included in the table because the provincial government administers the plan on behalf of the colleges. However, as the provincial government is not the plan sponsor, it does not have access to the plan surplus and any plan surplus or liability is not reflected on the provincial government's balance sheet.

Table A2.2 Unfunded Pension Liabilities

Pension Plan	Actuarial Valuation Liability (Surplus)		Public Accounts Information			
	Initial Valuation	Latest Valuation	Accounting Liability March 31, 2000	Annual Amortization[1]	Plan Changes[1]	Accounting Liability March 31, 2001
			($ millions)			
Public Service (joint trusteeship)[2]	438	—[3]	124	(176)	52	—
MLA Superannuation[4]	7	13	7	—	6	13
Provincial 70%-Share of Municipal Superannuation[5]	740	208	357	(208)	—	149
Teachers'[6]	1,779	400	1,565	(250)	—	1,315
	2,964	621	2,053	(634)	58	1,477
Colleges[7]	(32)	(129)	n/a	n/a	n/a	n/a
Total	2,932	492	2,053	(634)	58	1,477

[1] The total annual amortization of $634 million is included as a reduction to provincial government expenditure in Chapter 2, Table 2.5. The $52-million plan change reflects the writing off of the accumulated surplus of the Public Service Pension Plan with the introduction of joint trusteeship in January 2001. This is recorded as an adjustment to the government's summary accounts bottom line (see Chapter 2, Table 2.1). The $6 million adjustment is the result of a year-end estimation of the MLA Superannuation Plan liability.
[2] Initial valuation date: March 31, 1990. Latest valuation date: March 31, 1999. Next valuation date: March 31, 2002.
[3] Under joint trusteeship, the provincial government does not have a claim to the $1.1 billion actuarial surplus previously reported in this plan. Any potential annual pension expense reductions are at the discretion of the pension board, half of whose members are appointed by the government.
[4] The MLA Superannuation Account is based on estimates, as actuarial valuations are not required.
[5] Initial valuation date: December 31, 1991. Latest valuation date: December 31, 1997. Next valuation date: December 31, 2000.
[6] Initial valuation date: December 31, 1993. Latest valuation date: December 31, 1999. Next valuation date: December 31, 2002.
[7] Initial valuation date: August 31, 1997. Latest valuation date: August 31, 2000. Next valuation date: August 31, 2003.

Based on actuarial valuations, net unfunded pension liabilities for the major public sector pension plans administered by the provincial government totaled $492 million as of March 31, 2001, down over $2.4 billion since the initial valuation dates in the early 1990's. All of the major pension plans have shown a significant reduction in unfunded liabilities, primarily due to higher fund investment returns and lower inflation.

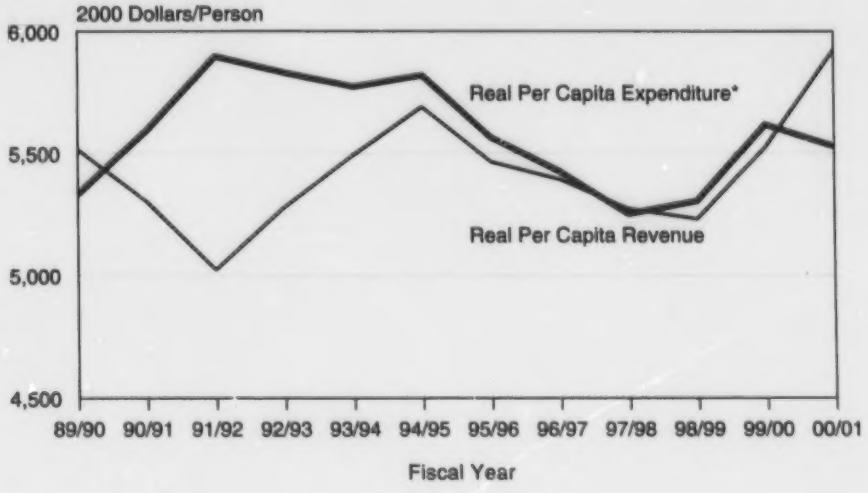
With the transition to joint trusteeship for the Teachers' Pension and Municipal Superannuation Plans, the estimated accounting liability of $1.5 billion will fall significantly due to a required one-time removal of a large portion of this liability.

Real Per Capita Revenue and Expenditure — Consolidated Revenue Fund

Chart A2.3 shows how the provincial government's real per capita revenue and expenditure of the CRF has changed as a result of swings in economic activity and the government's fiscal policies. In the late 1980s, real

per capita revenue exceeded expenditure due to a strengthening economy and the effects of revenue measures. However, in 1990/91 and 1991/92, provincial finances deteriorated as real per capita revenues declined and real per capita expenditure increased due to a slowdown in the provincial economy. Real per capita expenditures have exceeded revenue in every year since 1989/90, except for 1997/98 when revenue exceeded expenditure by $21. In 2000/01 real per capital revenue was $395 higher than expenditure mainly due to the effect on provincial revenue of high energy prices and a strengthening economy.

Chart A2.3 Real Per Capita Consolidated Revenue Fund Revenue and Expenditure



* Includes the effect of one-time expenditures in 1991/92, 1994/95, and 1999/00.

Although real per capita CRF revenue increased 7.2 per cent in 2000/01, real per capita spending fell 1.6 per cent. Excluding the effect of one-time expenditures totaling $1.2 billion in 1999/00, real per capita spending rose 3.9 per cent in 2000/01.

Dedicated Revenues Collected on Behalf of Crown Corporations and Agencies

The government includes, in its financial statements, information on the amounts of revenue collected on behalf of, and transferred to, Crown corporations and other public bodies. In 2000/01, these amounts totalled $842 million, a decrease of $77 million from 1999/00. The decrease from the previous year was mainly due to:

- a $114-million reduction in the transfer to Forest Renewal BC as a result of lower stumpage revenues received by the government;

partially offset by

- a $26-million increase in motor fuel tax collected on behalf of the BC Transportation Financing Authority (an increase of 0.25 cents per litre);
- an $8-million increase in motor fuel tax collected on behalf of the British Columbia Ferry Corporation (full-year impact of a 0.25-cents-per-litre increase effective October 1999); and
- $3 million of higher transfers to other agencies primarily due to higher collection volumes (e.g. sales tax, hotel tax, etc.).

Details on the amounts of revenue collected on behalf of, and transferred to, government organizations for the last five years ending March 31 are shown in Table A2.3.

Table A2.3 Dedicated Revenue

Fiscal Year Ended March 31	1997	1998	1999	2000	2001
			($ millions)		
British Columbia Transit[1]	81.8	87.2	94.2	7.8	7.3
BC Transportation Financing Authority (BCTFA)[2]	62.5	118.6	123.9	176.5	202.1
Forest Renewal BC[3]	485.3	482.8	177.4	301.5	187.1
British Columbia Ferry Corporation[4]	—	—	—	65.1	73.4
Greater Vancouver Transportation Authority (*TransLink*)[5]	—	—	—	181.8	173.1
Tourism British Columbia[6]	—	19.9	20.5	21.8	23.9
Oil and Gas Commission[7]	—	—	5.7	13.4	17.8
Other[8]	135.2	147.5	148.2	151.5	157.7
Total dedicated revenue	764.8	856.0	569.9	919.4	842.4

[1] For 1998/99 and prior years, figures include motor fuel tax collected in the Vancouver and Victoria regional transit service areas. Effective April 1, 1999, figures include motor fuel tax collected in the Victoria regional transit area only (2.5 cents/litre on clear and motive fuel) as a result of the creation of *TransLink*.

[2] Includes motor fuel tax and a sales tax on short-term rentals of passenger vehicles. The 2000/01 figure is based on a transfer of 3.25 cents/litre on clear and motive fuel (up from 3 cents/litre effective April 1, 2000). The initial rate of 1 cent/litre (effective May 1, 1994) was increased to 2 cents/litre on July 1, 1997 and 3 cents/litre on June 1, 1999.

[3] Includes incremental stumpage and royalty revenue resulting from changes to rates introduced under the provincial government's Forest Renewal Plan on and after May 1, 1994.

[4] Includes 1 cent/litre of motor fuel tax for the period April 1, 1999 to September 30, 1999 and 1.25 cents/litre effective October 1, 1999.

[5] Effective April 1, 1999, includes 8 cents/litre on clear and motive fuel (4 cents/litre of which was previously collected on behalf of British Columbia Transit) and social services tax on parking in the Vancouver transit area.

[6] Includes a 1.65-per-cent share of the revenue raised from the 8-per-cent provincial hotel room tax.

[7] Includes fees collected under the *Petroleum and Natural Gas Act* and the *Pipeline Act*, and a levy assessed under the Oil and Gas Commission Levy Regulation.

[8] Primarily reflects transfers of property tax revenue collected on behalf of local governments.

Financial Statements for the Fiscal Year Ended March 31, 2001

The tables in this appendix include financial information of the Government of British Columbia for the year ended March 31, 2001. They summarize the financial results of the government's summary accounts and selected Crown corporations and agencies based on financial statements prepared by the Office of the Comptroller General from the accounts of the government.

Table A2.4 Summary Accounts Five-Year Operating Results[1]

	1996/97	1997/98	1998/99[2]	1999/00[3]	2000/01
			($ millions)		
Consolidated Revenue Fund (CRF):					
Revenue[4]	20,126	20,216	20,306	21,846	24,066
Expenditure	(20,241)	(20,135)	(20,587)	(22,212)	(22,463)
CRF Balance	(115)	81	(281)	(366)	1,603
Crown Corporations and Agencies:					
Taxpayer-supported:					
British Columbia Buildings Corporation	39	39	49	45	51
British Columbia Ferry Corporation	(76)	(59)	(114)	(299)	11
BC Transportation Financing Authority	25	52	(114)	22	1
Forest Renewal BC	105	(88)	(265)	1	(64)
Other[5]	(21)	40	9	(44)	49
	72	(16)	(435)	(275)	48
Less: Contributions paid to CRF[6]	(10)	(20)	(14)	(78)	(69)
Forgiveness of BC Ferry Corporation debt	—	—	—	1,080	—
Accounting adjustments[7]	(279)	(278)	(368)	(131)	(189)
Total taxpayer-supported	(217)	(314)	(817)	596	(210)
Commercial self-supported:					
British Columbia Hydro and Power Authority	339	408	395	416	446
Liquor Distribution Branch	587	606	616	617	642
British Columbia Lottery Corporation	273	290	456	532	562
British Columbia Railway Company	36	40	24	(582)	(7)
Insurance Corporation of British Columbia	(135)	14	74	96	139
Other[8]	(8)	(24)	(23)	1	4
	1,092	1,334	1,542	1,080	1,786
Less: Contributions paid to CRF[9]	(1,138)	(1,260)	(1,348)	(1,376)	(1,431)
BC Hydro RSA transfer	—	—	—	129	103
Accounting adjustments[10]	(7)	(8)	(99)	(23)	(301)
Total commercial self-supported	(53)	66	95	(190)	157
Total Crown Corporations and Agencies	(270)	(248)	(722)	406	(53)
Joint trusteeship arrangements	—	—	—	—	(52)
Total Summary Accounts Surplus (Deficit)	(385)	(167)	(1,003)	40	1,498

[1] Based on *2000/01 Public Accounts* information. For comparative purposes, figures for prior years have been restated for the presentation used in 2000/01.
[2] Figures for 1998/99 have been restated to reflect changes in various accounting estimates. CRF expenditure was increased $24 million to account for changes in fiscal agency loan balances and reduced $209 million to account for changes in non-pension post-retirement benefits, for a net reduction of $185 million. British Columbia Buildings Corporation net income was increased by $1.3 million to record a change in accounting for tenant improvement assets. British Columbia Railway Company net income was reduced $2.4 million to reflect changes in accounting for non-pension benefits.
[3] Figures for 1999/00 have been restated to reflect changes in various accounting estimates. CRF expenditure was increased $7 million to account for the expansion of capitalization to include office furniture and equipment and another $5 million to reflect changes in how pension expenses are calculated. These changes reduced the 1999/00 surplus by $12 million.
[4] CRF revenue amounts exclude dedicated revenue collected on behalf of, and transferred to, Crown corporations and agencies and other entities. Further details on transferred revenue are shown in Table A2.3.
[5] Includes earnings/(losses) of British Columbia Transit, British Columbia Securities Commission, Okanagan Valley Tree Fruit Authority, Tourism British Columbia and other taxpayer-supported Crown corporations and agencies.
[6] Primarily reflects dividends from the British Columbia Buildings Corporation that are included in CRF revenue.
[7] Primarily reflects adjustments to record the amortization of the cost of highways transferred to the BC Transportation Financing Authority. The 1999/00 adjustment includes the effect of the $70 million debt recision for the Vancouver Trade and Convention Centre.
[8] Includes earnings/(losses) of the Columbia Power Corporation and 552513 BC Ltd. (Skeena Cellulose Inc.) and other commercial Crown corporations.
[9] Includes dividends from commercial Crown corporations that are included in CRF revenue.
[10] Includes transfers of British Columbia Lottery Corporation revenue to charities and local governments.

Table A2.5 Five-Year Summary of Operating Results, Capital Expenditures and Provincial Debt

	1996/97	1997/98	1998/99	1999/00	2000/01
			($ millions)		
Operating Results					
Consolidated Revenue Fund balance	(115)	81	(281)	(366)	1,603
Net income (loss) of taxpayer-supported Crown corporations	(217)	(314)	(817)	596	(210)
Net contribution of self-supporting commercial Crown corporations	(53)	66	95	(190)	157
Joint trusteeship arrangements	—	—	—	—	(52)
Summary surplus (deficit)	(385)	(167)	(1,003)	40	1,498
Capital Expenditures					
Taxpayer-supported					
Capital plan					
Education	450	373	504	489	388
Health	194	115	169	247	411
Transportation	582	419	779	1,016	928
Other	22	30	24	36	40
Gross capital plan	1,248	937	1,476	1,788	1,767
Less: Recoverable expenditures[1]	(28)	(17)	(89)	(66)	(64)
Net capital plan	1,220	920	1,387	1,722	1,703
Other taxpayer-supported					
Government operating (ministries)	206	177	218	156	183
Other	41	50	84	22	142
Total taxpayer-supported	1,467	1,147	1,689	1,900	2,028
Commercial Crown corporations and agencies	641	531	595	767	771
Total capital expenditures	2,108	1,678	2,284	2,667	2,799
Provincial Debt at Year-End:[2]					
Taxpayer-supported					
Provincial government direct operating	11,030	11,488	12,190	13,833	12,069
Education and health facilities capital financing	5,661	5,769	5,879	6,429	7,043
Highways, ferries and public transit	3,144	3,463	3,641	3,487	4,191
Other[3,4]	1,440	1,431	1,466	1,405	1,650
Total taxpayer-supported debt	21,275	22,151	23,176	25,154	24,953
Self-supported					
Commercial Crown corporations and agencies[3]	7,996	7,992	8,399	7,977	7,570
Warehouse borrowing program	100	212	658	1,320	1,312
Total provincial debt	29,371	30,355	32,233	34,451	33,835

[1] Expenditures by hospital districts on cost-shared projects, and capital spending on behalf of, and recovered from, other public sector agencies.
[2] Net of sinking funds and unamortized discount balances.
[3] Based on a revised outlook for lower world pulp prices and its potential effect on the finances of 552513 British Columbia Ltd. (Skeena Cellulose Inc.), the company has been reclassified from self-supported to taxpayer-supported in 2000/01.
[4] Between 1995/96 and 1999/00 only an estimate for loan defaults had been included as government guarantees for student loans. Amounts have been restated to include full student loan guarantees.

Table A2.6 Five-Year Summary Accounts Balance Sheet For Fiscal Years Ended March 31 (unaudited)

	1997	1998	1999	2000	2001
			($ millions)		
Assets					
Cash and temporary investments	1,098	1,298	791	1,569	554
Other working capital assets[1]	3,773	3,762	3,849	4,307	4,923
Capital assets and investments (net of amortization)					
— Net investment in self-supported Crown corporations[2]	*2,659*	*2,740*	*2,882*	*2,742*	*3,001*
— Loans for purchases of assets recoverable from agencies	*7,561*	*7,634*	*7,992*	*7,530*	*7,437*
— Prepaid capital advances	*5,601*	*5,655*	*6,138*	*6,517*	*6,905*
— Tangible capital assets	*10,030*	*10,107*	*9,805*	*10,244*	*10,985*
	25,851	26,136	26,815	27,033	28,328
Warehouse borrowing program assets	100	212	658	1,320	1,312
	30,822	**31,408**	**32,115**	**34,229**	**35,117**
Liabilities					
Current liabilities[3]	3,559	3,618	3,375	3,636	3,874
Unfunded pension liabilities	3,068	2,696	2,444	2,053	1,477
Debt					
— Taxpayer-supported debt	*21,275*	*22,151*	*23,176*	*25,154*	*24,953*
— Commercial Crown corporations and agencies	*7,996*	*7,992*	*8,399*	*7,977*	*7,570*
— Warehouse borrowing program	*100*	*212*	*658*	*1,320*	*1,312*
	29,371	*30,355*	*32,233*	*34,451*	*33,835*
Less: guarantees and non-guaranteed debt[4]	*(1,341)*	*(1,259)*	*(932)*	*(946)*	*(597)*
	28,030	29,096	31,301	33,505	33,238
	34,657	**35,410**	**37,118**	**39,194**	**38,589**
Net equity (deficiency)[5]	(3,835)	(4,002)	(5,005)	(4,965)	(3,472)
	30,822	**31,408**	**32,115**	**34,229**	**35,117**

[1] Accounts receivable, loans, inventories and other assets/investments.
[2] Includes loans to commercial Crown corporations for the purchase of capital assets.
[3] Accounts payable, accrued liabilities and deferred revenue.
[4] Third party guarantees, and provincial guarantees and non-guaranteed debt of commercial Crown corporations and agencies.
[5] Accumulated deficits of the government and Crown corporations and agencies plus accounting adjustments resulting from changes in accounting policy.

Change in Summary Accounts Financial Position

	1997/98	1998/99	1999/00	2000/01
		($ millions)		
Asset and Liability Changes				
Increase (decrease) in cash and temporary investments	200	(507)	778	(1,015)
Capital asset and investment changes:				
Increase (decrease) in assets related to taxpayer-supported capital investments (net of amortization)	131	181	818	1,129
Increase (decrease) in net investment in, and loans to, commercial Crown corporations for asset purchases	154	500	(600)	166
	285	681	218	1,295
Non-cash and other working capital changes:				
Reduction in unfunded pension liability	372	252	389	576
Other working capital changes and adjustments	(152)	3	211	34
	220	255	600	610
(Surplus)/deficit for the period	167	1,003	(40)	(1,498)
Net debt increase (decrease) for government and its Crown corporations and agencies	872	1,432	1,556	(608)
Increase (decrease) in warehouse borrowing investments	112	446	662	(8)
Increase (decrease) in provincial debt	984	1,878	2,218	(616)

Table A2.7 Five-Year Revenue by Source
Consolidated Revenue Fund
For Fiscal Years Ended March 31[1]

	1997	1998	1999	2000	2001
			($ millions)		
Taxation Revenue					
Personal income	5,290	5,362	5,423	5,839	6,015
Corporation income	1,347	1,138	1,098	939	1,054
Social service	3,076	3,243	3,209	3,338	3,617
Fuel	688	642	654	470	443
Tobacco	488	486	505	498	460
Property — residential (school purpose)[2]	493	502	511	529	538
Property — business (school purpose)	702	735	764	758	770
Property — rural area	62	62	61	63	63
Property transfer	313	310	223	245	262
Corporation capital	403	406	455	460	459
Insurance premium	169	176	195	199	196
Hotel room[3]	88	74	79	86	93
Horse racing	5	4	4	3	—
	13,124	13,140	13,181	13,427	13,970
Less: commissions on collection of public funds	(25)	(24)	(24)	(24)	(23)
Less: allowance for doubtful accounts	(5)	(13)	(23)	(25)	(14)
Total taxation revenue	**13,094**	**13,103**	**13,134**	**13,378**	**13,933**
Natural Resouce Revenue					
Petroleum and Natural Gas					
Natural gas royalties	174	156	193	328	1,249
Permits and fees	206	214	106	248	462
Petroleum royalties	74	77	62	94	136
	454	447	361	670	1,847
Minerals	47	52	44	47	53
Forests					
Timber sales	1,021	968	815	1,041	821
Small Business Forest Enterprise Program	321	318	209	269	257
Logging tax	41	13	14	24	60
Other forests revenue	25	65	55	58	15
	1,408	1,364	1,093	1,392	1,153
Water resources	264	322	306	297	294
Columbia River Treaty	—	—	16	100	632
Wildlife Act — fees and licences	14	14	15	15	15
	278	336	337	412	941
Less: commissions on collection of public funds	(1)	(1)	(1)	(1)	(1)
Less: allowance for doubtful accounts	—	(1)	(5)	(3)	(18)
Total natural resource revenue	**2,186**	**2,197**	**1,829**	**2,517**	**3,975**
Other Revenue					
Fees and Licences					
Medical Services Plan premiums	853	882	876	868	895
Motor vehicle licences and permits	322	316	329	336	342
Ministry of Attorney General fees	96	95	106	102	101
Real estate earnings of the Crown Land special account	37	35	44	55	48
Coquihalla highway tolls	38	39	39	41	42
Registry Agency fees	36	37	36	36	36
Vital Statistics Agency fees	9	10	10	10	10
Ministry of Health fees	20	24	23	24	21
Provincial Treasury Operations and Insurance and Risk Management special account	21	26	27	33	22
Safety inspection fees	16	17	16	16	16
Waste management fees	16	13	12	12	11
Public gaming licences and permits	17	18	6	—	—
Fire Services Act	11	11	—	—	—
Property tax collection fees	6	6	7	7	7
Financial Institutions Commission	7	6	2	2	1

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Table A2.7 Five-Year Revenue by Source
Consolidated Revenue Fund
For Fiscal Years Ended March 31[1] — *Continued*

	1997	1998	1999	2000	2001
			($ millions)		
Other fees and licences	35	57	36	25	15
	1,540	1,592	1,569	1,567	1,567
Less: commissions on collection of public funds	(42)	(73)	(51)	(14)	(7)
Less: allowance for doubtful accounts	(17)	(19)	(34)	(5)	(17)
	1,481	1,500	1,484	1,548	1,543
Investment earnings	50	48	51	60	112
Miscellaneous					
Fines and penalties	77	101	112	108	99
Maintenance of children	13	17	10	—	—
Insurance claim receipts	22	22	14	13	12
Other miscellaneous	106	91	101	114	114
	268	279	288	295	337
Less: commissions on collection of public funds	(3)	(4)	(4)	(3)	—
Less: allowance for doubtful accounts	(3)	—	—	(4)	(19)
	262	275	284	288	318
Asset dispositions[4]	—	24	63	52	—
Total other revenue	**1,743**	**1,799**	**1,831**	**1,888**	**1,861**
Contributions from Government Enterprises					
Liquor Distribution Branch	588	609	616	617	642
British Columbia Hydro and Power Authority	279	369	323	343	372
British Columbia Lottery Corporation[5]	266	282	369	416	414
British Columbia Buildings Corporation	10	20	2	71	50
British Columbia Railway Company	4	—	40	—	—
Other contributions	1	—	12	7	22
Total contributions from government enterprises	**1,148**	**1,280**	**1,362**	**1,454**	**1,500**
Contributions from the Federal Government					
Canada health and social transfer	1,775	1,637	1,968	2,438	2,619
Education (public schools)	72	75	76	81	74
National Training Act	11	8	7	—	—
Employability assistance for persons with disabilities	30	27	35	27	28
Immigration services	22	22	22	22	22
Other payments[6]	45	68	42	41	54
Total contributions from the federal government	**1,955**	**1,837**	**2,150**	**2,609**	**2,797**
Total Revenue	**20,126**	**20,216**	**20,306**	**21,846**	**24,066**

[1] For comparative purposes, figures for prior years have been restated to be consistent with the presentation used in 2000/01. Figures exclude dedicated revenue collected on behalf of, and transferred to, British Columbia Transit, British Columbia Ferry Corporation, BC Transportation Financing Authority, Greater Vancouver Transportation Authority (*TransLink*), Forest Renewal BC, Oil and Gas Commission, and Tourism British Columbia. These revenues are included as part of the operations of Crown corporations and agencies, with the exception of *TransLink* and certain other public bodies that are not part of the provincial government.

[2] Revenue is shown net of home owner grants (basic and supplementary).

[3] Beginning in 1997/98, a portion of hotel room tax is dedicated to Tourism British Columbia.

[4] Includes revenue realized through dispositions of assets deemed to be surplus to government needs.

[5] The British Columbia Lottery Corporation remitted additional funds to government which was distributed to charitable organizations and local governments.

[6] Other payments include federal contributions for flood relief, criminal legal aid, statutory subsidies, *Young Offenders Act*, student loan administration and other cost-shared programs. The 1996/97 figure includes a partial recovery of Canada assistance plan entitlements withheld by the federal government in 1995/96.

Table A2.8 Five-Year Revenue by Source — Supplementary Information
Consolidated Revenue Fund
For Fiscal Years Ended March 31[1]

	1997	1998	1999	2000	2001
Per Cent of GDP:			(per cent)		
Taxation	12.1	11.5	11.5	11.3	11.1
Natural resource	2.0	1.9	1.6	2.1	3.2
Other	1.6	1.6	1.6	1.6	1.5
Contributions from government enterprises	1.1	1.1	1.2	1.2	1.2
Contributions from the federal government	1.8	1.7	1.9	2.2	2.1
Total Revenue	18.6	17.8	17.8	18.4	19.1
Growth Rates:			(per cent)		
Taxation	4.7	0.1	0.2	1.9	4.1
Natural resource	7.9	0.5	−16.8	37.6	57.9
Other	−3.2	3.2	1.8	3.1	−1.4
Contributions from government enterprises	18.6	11.5	6.4	6.8	3.2
Contributions from the federal government	−18.3	−6.0	17.0	21.3	7.2
Total Revenue	2.2	0.4	0.4	7.6	10.2
Per Capita Revenue:			(dollars)		
Taxation	3,373	3,309	3,286	3,321	3,429
Natural resource	563	555	458	625	978
Other	449	454	458	469	458
Contributions from government enterprises	296	323	341	361	369
Contributions from the federal government	504	464	538	648	688
Total Revenue	5,184	5,105	5,080	5,423	5,922
Real Per Capita Revenue (2000 dollars)	5,394	5,273	5,232	5,526	5,922
— growth rate (per cent)	−1.3	−2.2	−0.8	5.6	7.2

[1] Revenue has been restated to reflect the government's accounting policy at March 31, 2001. Figures exclude dedicated revenue collected on behalf of, and transferred to Crown corporations and agencies and other public bodies.

Note: Per capita revenue is calculated using July 1 population (e.g. 2000/01 revenue divided by population on July 1, 2000). Similarly, revenue as a per cent of GDP is calculated using GDP for the calendar year ending in the fiscal year (e.g. 2000/01 revenue divided by GDP for the 2000 calendar year). Revenue is converted to real (inflation-adjusted) terms using the consumer price index (CPI) for the corresponding calendar year (e.g. 2000 CPI for 2000/01 revenue). Totals may not add due to rounding.

Table A2.9 Five-Year Expenditure by Function[1]
Consolidated Revenue Fund
For Fiscal Years Ended March 31

	1997[2]	1998[2]	1999	2000[2]	2001
			($ millions)		
Health					
Hospital care	4,311	4,388	4,546	4,836	5,278
Medical care	2,340	2,438	2,558	2,809	3,011
Preventive care	279	250	207	248	337
Other health	108	148	168	124	119
Total health care[3]	**7,038**	**7,224**	**7,479**	**8,017**	**8,745**
Social services[3]	**2,969**	**3,048**	**3,031**	**3,011**	**3,126**
Education					
Elementary and secondary	4,119	4,161	4,161	4,262	4,349
Post-secondary	1,478	1,450	1,451	1,497	1,806
Other education	153	155	213	216	202
Total education[3]	**5,750**	**5,766**	**5,825**	**5,975**	**6,357**
Protection of persons and property					
Law enforcement	377	374	410	428	409
Police protection	148	148	157	161	175
Corrections[3]	243	194	207	224	242
Other protection and regulation[4]	290	263	297	297	275
Total protection of persons and property	**1,058**	**979**	**1,071**	**1,110**	**1,101**
Transportation					
Road and air	558	477	472	469	447
Ferries[5]	5	5	24	1,080	—
Public transit[6]	281	288	294	148	164
Total transportation	**844**	**770**	**790**	**1,697**	**611**
Natural resources and economic development					
Forests (includes firefighting)	603	475	577	494	599
Minerals and mines	24	20	31	43	57
Environment and agriculture	213	205	213	222	234
Fish and game	23	11	21	21	28
Trade and industry[5]	150	114	90	182	110
Total natural resources and economic development	**1,013**	**825**	**932**	**962**	**1,028**
Other expenditure					
Local government	304	239	200	127	122
Housing support	91	87	91	93	104
Recreation and culture[5]	94	147	81	139	115
Total other expenditure	**489**	**473**	**372**	**359**	**341**
General government					
Legislature	28	30	35	34	35
Administration	185	186	214	212	230
Total general government	**213**	**216**	**249**	**246**	**265**
Debt servicing	**867**	**834**	**838**	**835**	**889**
Total Expenditure	**20,241**	**20,135**	**20,587**	**22,212**	**22,463**

[1] Expenditure by function has been restated to conform more closely to the presentation used by Statistics Canada. Figures are based on *2000/01 Public Accounts* information. For comparative purposes, figures for previous years have been restated to be consistent with the presentation used in 2000/01.

[2] Certain prior years' comparative expenditure figures were increased reflecting a change in government's capitalization policy (1999/00 $7 million, 1997/98 $24 million, 1996/97 $21 million). 1999/00 was also increased by $5 million for an accounting change for employee future benefits. For comparability, expenditure has been reduced $243 million in 1996/97 and $256 million in 1997/98 for the retroactive effect of pension policy changes introduced in 1999/00.

[3] Certain 1997/98 expenditures formerly reported under health, education and corrections are now included under social services due to an integration of service delivery that resulted from the creation of the Ministry for Children and Families in late 1996/97.

[4] During 1996/97 and 1997/98, responsibility for the Motor Vehicle Branch was transferred from government to the Insurance Corporation of British Columbia.

[5] 1999/00 includes one-time expenditures of $1,183 million to record the forgiveness of $1,080 million of debt owed by the British Columbia Ferry Corporation to the government, and write-downs of provincial investments in the Vancouver Trade and Convention Centre (trade and industry — $70 million) and the Kemess mine (recreation and culture — $33 million).

[6] Public transit expenditures are lower in 1999/00 due to the transfer of transit responsibilities for the Lower Mainland from British Columbia Transit to the Greater Vancouver Transportation Authority (*TransLink*) at the end of 1998/99. Funding for *TransLink* is provided by increased provincial transfers of revenue from fuel and sales taxes, increased access to the local property tax base, and other own-source fees and charges.

Table A2.10 Five-Year Expenditure by Function — Supplementary Information
Consolidated Revenue Fund
For Fiscal Years Ended March 31[1]

	1997	1998	1999	2000	2001
Per Cent of GDP:			(per cent)		
Health care	6.5	6.4	6.6	6.7	7.0
Social services	2.7	2.7	2.7	2.5	2.5
Education	5.3	5.1	5.1	5.0	5.1
Protection of persons and property	1.0	0.9	0.9	0.9	0.9
Transportation	0.8	0.7	0.7	1.4	0.5
Natural resources and economic development	0.9	0.7	0.8	0.8	0.8
Other expenditure	0.5	0.3	0.4	0.5	0.2
General government	0.2	0.2	0.2	0.2	0.2
Debt servicing	0.8	0.7	0.7	0.7	0.7
Total Expenditure	18.7	17.7	18.1	18.7	17.9
Growth Rates:			(per cent)		
Health care	3.8	2.6	3.5	7.2	9.1
Social services	−2.1	2.7	−0.6	−0.7	3.8
Education	4.7	0.3	1.0	2.6	6.4
Protection of persons and property	−2.9	−7.5	9.4	3.6	−0.8
Transportation[2]	−0.9	−8.8	2.6	114.8	−64.0
Natural resources and economic development[2]	−13.1	−18.6	13.0	3.2	6.9
Other expenditure[2]	−2.4	−3.3	−21.4	−3.5	−5.0
General government	−16.5	1.4	15.3	−1.2	7.7
Debt servicing	−2.3	−3.8	0.5	−0.4	6.5
Total Expenditure[2]	0.9	−0.5	2.2	7.9	1.1
Per Capita Expenditure:			(dollars)		
Health care	1,813	1,824	1,871	1,990	2,152
Social services	765	770	758	747	769
Education	1,481	1,456	1,457	1,483	1,564
Protection of persons and property	273	247	268	276	271
Transportation	217	194	198	421	150
Natural resources and economic development	261	208	233	239	253
Other expenditure	126	120	93	90	85
General government	55	55	62	61	65
Debt servicing	223	211	210	207	219
Total Expenditure	5,214	5,085	5,150	5,514	5,528
Real Per Capita Expenditure (2000 dollars)	5,425	5,252	5,304	5,618	5,528
— growth rate (per cent)[2]	−2.5	−3.2	1.0	5.9	−1.6

[1] Expenditure has been restated to reflect the government's accounting policy at March 31, 2001.

[2] Excluding one-time expenditures in 1999/00 of $1,183 million, 1999/00 growth rates would be −21.9% for transportation, −4.3% for natural resources and economic development, −12.4% for other, 2.1% for total spending, and 0.3% for real per capita. 2000/01 growth rates would be −1% for transportation, 15.2% for natural resources and economic development, 4.6% for other, 6.8% for total spending, and 3.9% for real per capita.

Note: Per capita expenditure is calculated using July 1 population (e.g. 2000/01 expenditure divided by population on July 1, 2000). Similarly, expenditure as a per cent of GDP is calculated using GDP for the calendar year ending in the fiscal year (e.g. 2000/01 expenditure divided by GDP for the 2000 calendar year). Expenditure is converted to real (inflation-adjusted) terms using the consumer price index (CPI) for the corresponding calendar year (e.g. 2000 CPI for 2000/01 expenditure).

Table A2.11 British Columbia Buildings Corporation
Five-Year Income Statement for the Years Ended March 31

	1997	1998	1999	2000	2001
			($ millions)		
Revenues:					
Rentals	397.7	403.7	399.0	399.3	403.6
Other income	18.9	24.8	37.3	48.3	48.2
Gains on sale of properties	7.4	11.8	9.9	15.9	10.4
	424.0	440.3	446.2	463.5	462.2
Expenses:					
Lease costs	135.5	138.6	132.1	130.1	131.5
Operations and maintenance	85.3	86.7	95.2	97.2	101.4
Amortization	48.0	47.9	40.6	39.8	41.6
Client projects	17.7	24.0	33.3	38.9	43.3
Energy and other	42.8	43.1	44.1	52.5	55.3
	329.3	340.3	345.3	358.5	373.1
Operating income	94.7	100.0	100.9	105.0	89.1
Interest expense	(55.3)	(60.7)	(51.5)	(60.0)	(38.2)
Net income	39.4	39.3	49.4	45.0	50.9

Source: British Columbia Buildings Corporation.

Table A2.12 British Columbia Ferry Corporation
Five-Year Income Statement for the Years Ended March 31

	1997[1]	1998	1999[1]	2000[1]	2001
			($ millions)		
Revenues:					
Tolls	267.8	290.1	296.5	292.4	292.8
Catering and other income	66.0	66.7	65.6	63.8	68.7
Federal operating contract	21.8	21.9	22.0	22.1	22.4
	355.6	378.7	384.1	378.3	383.9
Operating expenses:					
Salaries, wages and benefits	220.8	220.6	235.2	227.2	227.1
Other	145.1	144.1	146.5	161.9	168.9
	365.9	364.7	381.7	389.1	396.0
Net operating income (loss)	(10.3)	14.0	2.4	(10.8)	(12.1)
Net financing expense	(32.6)	(33.8)	(42.4)	(53.1)	0.3
Amortization	(38.3)	(43.9)	(50.3)	(60.2)	(50.0)
Provision for write-down of *PacifiCat* ferries	—	—	(48.0)	(240.0)	—
Loss before provincial grant or dedicated revenue	(81.2)	(63.7)	(138.3)	(364.1)	(61.8)
Provincial grant	4.7	4.7	24.0	—	—
Dedicated revenue (motor fuel tax)[2]	—	—	—	64.9	72.5
Net income (loss)	(76.5)	(59.0)	(114.3)	(299.2)[3]	10.7

[1] Restated to conform with the presentation used for 2001.
[2] Differs from that reported in Table A2.3 (dedicated revenue) due to minor year-end accounting adjustments.
[3] Excludes the effect of the government's foregiveness of $1,080 million of debt. This is recorded on the corporation's balance sheet and is accounted for in the government's summary accounts as an adjustment to taxpayer-supported Crown corporations and agencies.
Source: British Columbia Ferry Corporation.

Table A2.13 BC Transportation Financing Authority
Five-Year Consolidated Statement of Income for the Years Ended March 31

	1997	1998	1999	2000	2001
			($ millions)		
Revenues:					
Dedicated revenue	64.6	130.6	126.3	177.2	199.5[1]
Contractors' fees and other	—	—	—	33.5	87.3
Capital Contributions (amortization)[2]	—	—	—	189.7	189.7
	64.6	130.6	126.3	400.4	476.5
Expenditures:					
Operations and administration	21.7	23.2	24.1	28.4	29.6
Construction wages and benefits	—	—	—	26.6	80.6
Grant programs	4.0	5.1	11.5	17.5	11.4
Amortization[2]	4.2	13.9	32.1	231.4	247.9
Interest	9.4	27.7	68.1	73.8	106.3
Write down of project costs	—	4.3	14.1	0.5	—
	39.3	74.2	149.9	378.2	475.8
(Loss) earnings from operations	25.3	56.4	(23.6)	22.2	0.7
Extraordinary items[3]	—	(4.8)	(90.7)	—	—
Net (loss) earnings for the year	25.3	51.6	(114.3)	22.2	0.7

[1] Differs from that reported in Table A2.3 (dedicated revenue) due to minor year-end accounting adjustments.
[2] Effective March 31, 1999, the provincial government transferred highway infrastructure assets to the Authority. Asset values are recorded on the Authority's balance sheet as a deferred capital contribution, and are amortized as income of the Authority with an offsetting adjustment to amortization expense.
[3] The 1998 figure represents costs for emergency repairs to highways and bridges affected by slides and washouts. The 1999 expenditure represents the net book value of highways in the Lower Mainland that were transferred to the Greater Vancouver Transportation Authority *(TransLink)*.

Source: BC Transportation Financing Authority.

Table A2.14 Forest Renewal BC
Five-Year Statement of Operations and Equity for the Years Ended March 31

	1997	1998	1999	2000	2001
			($ millions)		
Revenues:					
Statutory forest revenue	485.3	482.8	177.4	301.5	187.1
Investment income	35.6	51.2	45.3	31.3	34.4
	520.9	534.0	222.7	332.8	221.5
Expenditures:					
Program expenditures	395.5	596.4	463.2	314.5	270.8
Administration	20.0	25.3	24.1	17.1	14.3
	415.5	621.7	487.3	331.6	285.1
Net revenue	105.4	(87.7)	(264.6)	1.2	(63.6)
Equity, beginning of the year	745.7	851.1	763.4	498.8	500.0
Net revenue	105.4	(87.7)	(264.6)	1.2	(63.6)
Equity, end of the year	851.1	763.4	498.8	500.0	436.4

Source: Forest Renewal BC.

Table A2.15 British Columbia Hydro and Power Authority
Five-Year Income Statement for the Years Ended March 31

	1997	1998	1999	2000	2001
			($ millions)		
Revenues:					
Domestic	2,239.1	2,191.7	2,277.9	2,327.5	2,431.0
Electricity trade	163.6	341.2	739.0	1,129.1	5,458.0[1]
	2,402.7	2,532.9	3,016.9	3,456.6	7,889.0
Expenses:					
Energy costs	513.6	610.6	1,075.2	1,354.9	5,162.0
Operating expenses	415.2	384.9	407.8	441.7	755.0[1]
Taxes	168.8	176.8	172.7	170.7	174.0
Depreciation	322.4	335.7	338.8	365.0	380.0
Finance charges	625.0	585.0	615.2	578.8	559.0
Employee transition option costs	—	—	11.8	—	—
Corporate restructuring costs	19.0	—	—	—	—
	2,064.0	2,093.0	2,621.5	2,911.1	7,030.0
Net income before customer profit sharing and transfer to rate stabilization account	338.7	439.9	395.4	545.5	859.0
Customer profit sharing	—	(32.1)	—	—	(310.0)
Transfer (to) from RSA[2]	—	—	—	(129.3)	(103.0)
Total net income	338.7	407.8	395.4	416.2	446.0

[1] Reflects adjustments and provision to recognize uncertainty in realizing portions of electricty sales to California.
[2] Effective March 31, 1999, the Authority modified its accounting and reporting of transfers (to) from the rate stabilization account (RSA). RSA transfers are now shown as adjustments to net income rather than to retained earnings as previously reported.

Source: British Columbia Hydro and Power Authority.

Table A2.16 Liquor Distribution Branch
Five-Year Income Statement for the Years Ended March 31[1]

	1997	1998	1999	2000	2001
			($ millions)		
Provincial liquor sales	1,539.7	1,594.5	1,640.8	1,663.3	1,719.2
Less: Cost of sales[2]	791.9	825.9	850.6	864.8	891.6
Gross margin	747.8	768.6	790.2	798.5	827.6
Operating expenses	(164.0)	(165.8)	(178.2)	(188.4)	(197.9)
Other income	3.3	3.2	3.9	7.3	12.7
Net income	587.1	606.0	615.9	617.4	642.4

[1] Due to year-end accounting adjustments, net income figures may be different from those reported in Appendix Table A2.7.
[2] Includes discounts and commissions.

Source: Liquor Distribution Branch.

Table A2.17 British Columbia Lottery Corporation
Five-Year Income Statement for the Years Ended March 31

	1997	1998	1999	2000	2001
			($ millions)		
Gaming revenue	867.5	942.2	1,261.5	1,401.5	1,483.0
Less: Prizes and direct costs	529.8	571.4	699.1	745.9	796.1
Gross margin	337.7	370.8	562.4	655.6	686.9
Operating expenses	(70.0)	(85.5)	(111.5)	(129.8)	(129.7)
Operating income	267.7	285.3	450.9	525.8	557.2
Interest and other income	5.2	5.0	5.1	6.2	4.8
Net income	272.9	290.3	456.0	532.0	562.0
Allocation of net income:					
Government of Canada	6.7	6.9	7.0	7.2	7.4
Province of British Columbia[1]	266.2	283.4	449.0	524.8	554.6
	272.9	290.3	456.0	532.0	562.0

[1] Allocations to the province differ from those reported in Appendix Table A2.7 due to year-end accounting adjustments and, starting in 1998/99, dedicated amounts transferred to charities and local governments. These transfers are deducted from the net income received by the government and totalled $133 million in 2000/01 ($107 million in 1999/00).

Source: British Columbia Lottery Corporation.

Table A2.18 British Columbia Railway Company
Five-Year Consolidated Income Statement for the Years Ended December 31

	1996	1997	1998	1999[1]	2000
			($ millions)		
Revenues	418.7	427.1	417.6	478.1	495.7
Expenses	348.6	349.5	357.9	411.2	451.4
Operating income	70.1	77.6	59.7	66.9	44.3
Non-operating expenses	(33.8)	(37.4)	(35.6)	(32.4)	(38.0)
Income before special charges	36.3	40.2	24.1	34.5	6.3
Special charges[2]	—	—	—	(616.6)	(13.0)
Net income	36.3	40.2	24.1	(582.1)	(6.7)

[1] Restated to conform with presentation used in 2000.

[2] The 1999 figure represents an asset impairment charge on northern British Columbia rail assets, the 2000 figure represents a provision to reflect anticipated future costs of environmental remediation.

Source: British Columbia Railway Company.

Table A2.19 Insurance Corporation of British Columbia
Five-Year Income Statement for the Years Ended December 31

	1996	1997	1998	1999[1]	2000
			($ millions)		
Revenue:					
Net premiums	2,276.6	2,303.5	2,368.9	2,382.4	2,387.0
Investment income	348.5	387.0	412.2	449.2	625.7
Licences and fines collected on behalf of the province[1]	—	410.2	435.6	423.3	422.6
Total revenue	2,625.1	3,100.7	3,216.7	3,254.9	3,435.3
Payment of provincial licences and fines to the province[2]	—	(361.4)	(394.6)	(423.3)	(422.6)
Net revenue	2,625.1	2,739.3	2,822.1	2,831.6	3,012.7
Claims and expenses:					
Claims incurred	2,125.5	2,025.9	1,915.1	1,842.1	1,739.8
Claims operations expense	212.8	219.4	248.8	275.2	277.9
Traffic and commercial vehicle safety programs and operations	49.3	60.3	124.3	167.2	177.7
Administration, commissions and taxes	372.4	419.7	413.4	451.4	460.1
	2,760.0	2,725.3	2,701.6	2,735.9	2,655.5
Income before Road Safety Dividend	(134.9)	14.0	120.5	95.7	357.2
Road Safety Dividend	—	—	(47.0)	—	(218.5)
Net income (loss)	(134.9)	14.0	73.5	95.7	138.7

[1] Restated to conform with presentation used in 2000.

[2] Commencing in 1997, the corporation assumed responsibility for the collection of licence fees and fines revenues as part of the merger with the Motor Vehicle Branch of the Ministry of Transportation and Highways.

Source: Insurance Corporation of British Columbia.

Table A2.20 Five-Year Provincial Debt Summary[1] For Fiscal Years Ended March 31

	1997	1998	1999	2000	2001
			($ millions)		
Taxpayer-supported debt					
Provincial government direct operating	11,030	11,488	12,190	13,833[2]	12,069
Education facilities[3]					
Schools	2,835	2,990	3,261	3,609	3,880
Post-secondary institutions	1,395	1,362	1,336	1,369	1,383
	4,230	4,352	4,597	4,978	5,263
Health facilities[3]	1,431	1,417	1,282	1,451	1,780
Highways, ferries and public transit					
BC Transportation Financing Authority	921	1,089	1,433	1,843	2,197
British Columbia Ferry Corporation	685	795	973	24[2]	21
British Columbia Transit	1,538	1,579	59	79	75
Public transit[3]	—	—	987	952	948
SkyTrain extension[3]	—	—	133	488	836
Rapid Transit Project 2000 Ltd.	—	—	56	101	114
	3,144	3,463	3,641	3,487	4,191
Other					
British Columbia Buildings Corporation	736	735	715	615	610
552513 British Columbia Ltd. (Skeena Cellulose Inc.)	—	—	—	—	337[4]
Social housing[5]	152	175	183	205	265
Homeowner Protection Office	—	—	11	34	71
British Columbia home mortgage assistance and second mortgage programs	54	47	38	28	23
Universities and colleges — fiscal agency loans	154	144	137	130	124
Student assistance loans[6]	276	273	287	267	159
577315 British Columbia Ltd. (Western Star Trucks Holding Ltd.)	—	—	—	62	—
580440 British Columbia Ltd. (Vancouver Trade and Convention Centre)	—	—	29	3[2]	—
Local governments	11	10	10	9	8
British Columbia Systems Corporation	19	—	—	—	—
Other[7]	38	47	56	52[8]	53
	1,440	1,431	1,466	1,405	1,650
Total taxpayer-supported debt	**21,275**	**22,151**	**23,176**	**25,154**	**24,953**
Self-supported debt					
Commercial Crown corporations and agencies					
British Columbia Hydro and Power Authority	7,477	7,234	7,474	6,945	6,852
British Columbia Railway Company	412	503	607	655	603
552513 British Columbia Ltd. (Skeena Cellulose Inc.)	—	157	221	280	—[4]
Columbia Basin Power Company[9]	96	95	94	94	93
Columbia Power Corporation	3	—	—	—	20
Other[10]	8	3	3	3	2
	7,996	7,992	8,399	7,977	7,570
Warehouse borrowing program	100	212	658	1,320	1,312
Total self-supported debt	**8,096**	**8,204**	**9,057**	**9,297**	**8,882**
Total provincial debt	**29,371**	**30,355**	**32,233**	**34,451**	**33,835**

[1] Debt is after deduction of sinking funds and unamortized discounts, and excludes accrued interest. Government direct and fiscal agency accrued interest is reported in the government's accounts as an accounts payable. Figures for earlier years have been restated to conform with the presentation used for fiscal 2000/01.

[2] Effective March 31, 2000, the provincial government assumed responsibility for the fiscal agency loans of the British Columbia Ferry Corporation ($1,080 million) and 580440 British Columbia Ltd. (Vancouver Trade and Convention Centre) ($70 million). Although this resulted in a change to debt composition, debt totals were not affected.

[3] Represents government direct debt incurred for capital financing purposes.

[4] Based on a revised outlook for world pulp prices and its potential impact on the finances of 552513 British Columbia Ltd. (Skeena Cellulose Inc.), the company's debt has been reclassified from self-supported to taxpayer-supported in 2000/01. As the province is not the sole shareholder of Skeena Cellulose Inc., a portion of this debt may be attributable to the minority shareholder.

[5] Includes the British Columbia Housing Management Commission and the Provincial Rental Housing Corporation.

[6] During the period 1995/96 to 1999/00 only an estimate for loan defaults had been included as government guarantees for student loans. Amounts have been restated to add the following guaranteed loans: 2000/01 - $129 million, 1999/00 - $224 million, 1998/99 - $226 million, 1997/98 - $187 million, 1996/97 - $128 million and 1995/96 - $53 million.

[7] Includes the British Columbia Assessment Authority, the Pacific Racing Association, and other taxpayer-supported Crown corporations and agencies. Also includes loan guarantees to agricultural producers, guarantees issued under economic development assistance programs and loan guarantee provisions.

[8] Restated to include an additional $6 million in guarantees issued to third parties by government agencies.

[9] A joint venture of the Columbia Power Corporation and Columbia Basin Trust.

[10] Includes debt of the British Columbia Lottery Corporation and British Columbia Liquor Distribution Branch.

Table A2.21 Five-Year Provincial Debt Summary — Supplementary Information For Fiscal Years Ended March 31

	1997	1998	1999	2000	2001
Per Cent of GDP:			(per cent)		
Taxpayer-supported debt					
Provincial government direct	10.2	10.1	10.7	11.6	9.6
Education	3.9	3.8	4.0	4.2	4.2
Health facilities	1.3	1.2	1.1	1.2	1.4
Highways, ferries and public transit	2.9	3.0	3.2	2.9	3.3
Other debt	1.3	1.3	1.3	1.2	1.3
Total taxpayer-supported debt	19.6	19.5	20.3	21.2	19.9
Self-supported debt					
Commercial Crown corporations and agencies	7.4	7.0	7.4	6.7	6.0
Warehouse borrowing program	0.1	0.2	0.6	1.1	1.0
Total self-supported debt	7.5	7.2	7.9	7.8	7.1
Total provincial debt	27.1	26.7	28.3	29.0	26.9
Growth Rates:			(per cent)		
Taxpayer-supported debt					
Provincial government direct	7.7	4.2	6.1	13.5	−12.8
Education	6.0	2.9	5.6	8.3	5.7
Health facilities	2.3	−1.0	−9.5	13.2	22.7
Highways, ferries and public transit	21.0	10.1	5.1	−4.2	20.2
Other debt	−12.3	−0.6	2.4	−4.2	17.4
Total taxpayer-supported debt	7.1	4.1	4.6	8.5	−0.8
Self-supported debt					
Commercial Crown corporations and agencies	0.6	−0.1	5.1	−5.0	−5.1
Warehouse borrowing program	−88.8	112.0	210.4	100.6	−0.6
Total self-supported debt	−8.5	1.3	10.4	2.6	−4.5
Total provincial debt	2.3	3.4	6.2	6.9	−1.8
Per Capita Debt:			(dollars)		
Taxpayer-supported debt					
Provincial government direct	2,841	2,901	3,049	3,434	2,970
Education	1,090	1,099	1,150	1,236	1,295
Health facilities	369	358	321	360	438
Highways, ferries and public transit	810	874	911	866	1,031
Other debt	371	361	367	349	406
Total taxpayer-supported debt	5,480	5,594	5,797	6,245	6,140
Self-supported debt					
Commercial Crown corporations and agencies	2,060	2,018	2,101	1,980	1,863
Warehouse borrowing program	26	54	165	328	323
Total self-supported debt	2,086	2,072	2,265	2,308	2,186
Total provincial debt	7,566	7,665	8,062	8,553	8,326

Note: Totals may not add due to rounding.

Table A2.22 Historical Summary Accounts Surplus (Deficit) For Fiscal Years Ended March 31[1]

Year	Consolidated Revenue Fund Balance	Crown Corporations and Agencies	Summary Accounts Surplus (Deficit)	Surplus (Deficit) as a Per Cent of GDP
	($ millions)			
1971	99	—	99	1.1
1972	84	—	84	0.8
1973	97	—	97	0.8
1974	146	—	146	1.0
1975	(10)	—	(10)	(0.1)
1976	(410)	—	(410)	(2.1)
1977	94	—	94	0.4
1978	204	—	204	0.8
1979	271	—	271	0.9
1980[1]	542	(88)	454	1.4
1981	(257)	45	(212)	(0.6)
1982[2]	(184)	43	(141)	(0.3)
1983	(984)	(257)	(1,241)	(2.8)
1984	(1,012)	49	(963)	(2.0)
1985	(994)	172	(822)	(1.6)
1986	(967)	110	(857)	(1.6)
1987	(1,161)	526	(635)	(1.1)
1988	(48)	119	71	0.1
1989	736	194	930	1.3
1990	456	40	496	0.7
1991	(774)	107	(667)	(0.8)
1992	(2,532)	192	(2,340)	(2.9)
1993	(1,686)	210	(1,476)	(1.7)
1994	(910)	11	(899)	(1.0)
1995	(447)	219	(228)	(0.2)
1996	(356)	38	(318)	(0.3)
1997	(115)	(270)	(385)	(0.4)
1998	81	(248)	(167)	(0.1)
1999	(281)	(722)	(1,003)	(0.9)
2000	(366)	406	40	—
2001	1,551[3]	(53)	1,498	1.2

[1] The provincial government began publishing summary financial statements in 1979/80. Figures for prior years are unavailable. For 1970/71 to 1978/79, the CRF surplus/(deficit) is used in place of the summmary accounts surplus/(deficit).
[2] Statistics Canada revised provincial nominal GDP back to calendar year 1981 (fiscal year 1981/82). Surplus(deficit)-to-GDP ratios prior to 1981/82 are based on the previously published GDP estimates.
[3] Includes impact of joint trusteeship arrangements.

M121

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Table A2.23 Historical Summary of Financial Transactions
Consolidated Revenue Fund
For Fiscal Years Ended March 31

Year	Revenue	Expenditure	Balance[1]	Disbursements (Receipts) from Financing/ Working Capital Transactions	[illegible]	Net Increase (Decrease) in Government Direct Operating Debt	(Increase) Decrease in Cash and Temporary Investments[2]
				($ millions)			
1970	1,248	1,244	(4)	9	[illegible]	—	5
1971	1,373	1,274	(99)	19	[illegible]	—	(80)
1972	1,558	1,474	(84)	23	[illegible]	—	(61)
1973	1,772	1,675	(97)	13	[illegible]	—	(84)
1974	2,217	2,071	(146)	(23)	[illegible]	—	(169)
1975	2,769	2,779	10	99	[illegible]	—	109
1976	3,124	3,534	410	(97)	[illegible]	—	313
1977	3,785	3,691	(94)	150	[illegible]	261	(205)
1978	4,372	4,168	(204)	(54)	[illegible]	—	(258)
1979	4,853	4,582	(271)	26	[illegible]	—	(245)
1980	5,860	5,318	(542)	85	[illegible]	(26)	(431)
1981	5,982	6,239	257	30	[illegible]	(26)	313
1982	7,139	7,323	184	(159)	[illegible]	(26)	51
1983	7,678	8,662	984	265	[illegible]	700	549
1984	8,335	9,347	1,012	(223)	[illegible]	713	76
1985	8,807	9,801	994	(111)	[illegible]	880	3
1986	9,160	10,127	967	(106)	[illegible]	721	140
1987	9,463	10,624	1,161	568	[illegible]	1,605	124
1988	11,007	11,055	48	154	[illegible]	215	(13)
1989	12,570	11,834	(736)	76	[illegible]	(98)	(562)
1990[3]	13,656	13,200	(456)	23	[illegible]	(711)	278
1991	14,236	15,010	774	18	[illegible]	517	275
1992	14,570	17,101	2,531	(518)	[illegible]	1,885	128
1993	16,172	17,858	1,686	599	[illegible]	2,359	(74)
1994	17,923	18,833	910	(17)	[illegible]	1,288	(395)
1995	19,506	19,953	447	(273)	[illegible]	(76)	250
1996	19,698	20,054	356	(146)	[illegible]	56	154
1997[4]	20,126	20,241	115	657	[illegible]	793	(21)
1998[4]	20,216	20,135	(81)	249	[illegible]	458	(290)
1999	20,306	20,587	281	719	[illegible]	702	298
2000[5]	21,846	22,212	366	462	[illegible]	1,643	(815)
2001	24,066	22,463	(1,603)	785	[illegible]	(1,764)	946

[1] Balance figures are presented as expenditure less revenue. This presentation is intended to show the sources of financial transactions and requirements.
[2] The definition of items classified as cash and temporary investments has changed over time. The table reports the change in cash and temporary investments based on the accounting classification used during the year reported.
[3] Beginning in 1989/90, revenue and expenditure have been restated to report sinking funds earnings as a deduction from expenditure. Previously, these earnings were reported as revenue. The annual deficits are unchanged by this accounting policy change.
[4] Expenditure was increased by $21 million in 1996/97 and $24 million in 1997/98, due to changes in government's capitalization policy. This does not affect cash or debt requirements. For comparability, expenditure has been reduced $243 million in 1996/97 and $256 million in 1997/98 for the retroactive effect of pension policy changes introduced in 1999/00.
[5] Expenditure was increased by $12 million in 1999/00 due to changes in government's capitalization policy and the accounting for employee future benefits. The cash balance was revised downward by $4 million, debt remained unchanged.

Table A2.23 Historical Summary of Financial Transactions
Consolidated Revenue Fund
For Fiscal Years Ended March 31

Year	Revenue	Expenditure	Balance[1]	Disbursements (Receipts) from Financing/ Working Capital Transactions	Total Financial Requirements (Sources)	Net Increase (Decrease) in Government Direct Operating Debt	(Increase) Decrease in Cash and Temporary Investments[2]
			($ millions)				
1970	1,248	1,244	(4)	9	**5**	—	5
1971	1,373	1,274	(99)	19	**(80)**	—	(80)
1972	1,558	1,474	(84)	23	**(61)**	—	(61)
1973	1,772	1,675	(97)	13	**(84)**	—	(84)
1974	2,217	2,071	(146)	(23)	**(169)**	—	(169)
1975	2,769	2,779	10	99	**109**	—	109
1976	3,124	3,534	410	(97)	**313**	—	313
1977	3,785	3,691	(94)	150	**56**	261	(205)
1978	4,372	4,168	(204)	(54)	**(258)**	—	(258)
1979	4,853	4,582	(271)	26	**(245)**	—	(245)
1980	5,860	5,318	(542)	85	**(457)**	(26)	(431)
1981	5,982	6,239	257	30	**287**	(26)	313
1982	7,139	7,323	184	(159)	**25**	(26)	51
1983	7,678	8,662	984	265	**1,249**	700	549
1984	8,335	9,347	1,012	(223)	**789**	713	76
1985	8,807	9,801	994	(111)	**883**	880	3
1986	9,160	10,127	967	(106)	**861**	721	140
1987	9,463	10,624	1,161	568	**1,729**	1,605	124
1988	11,007	11,055	48	154	**202**	215	(13)
1989	12,570	11,834	(736)	76	**(660)**	(98)	(562)
1990[3]	13,656	13,200	(456)	23	**(433)**	(711)	278
1991	14,236	15,010	774	18	**792**	517	275
1992	14,570	17,101	2,531	(518)	**2,013**	1,885	128
1993	16,172	17,858	1,686	599	**2,285**	2,359	(74)
1994	17,923	18,833	910	(17)	**893**	1,288	(395)
1995	19,506	19,953	447	(273)	**174**	(76)	250
1996	19,698	20,054	356	(146)	**210**	56	154
1997[4]	20,126	20,241	115	657	**772**	793	(21)
1998[4]	20,216	20,135	(81)	249	**168**	458	(290)
1999	20,306	20,587	281	719	**1,000**	702	298
2000[5]	21,846	22,212	366	462	**828**	1,643	(815)
2001	24,066	22,463	(1,603)	785	**(818)**	(1,764)	946

[1] Balance figures are presented as expenditure less revenue. This presentation is intended to show the sources of financial transactions and requirements.
[2] The definition of items classified as cash and temporary investments has changed over time. The table reports the change in cash and temporary investments based on the accounting classification used during the year reported.
[3] Beginning in 1989/90, revenue and expenditure have been restated to report sinking funds earnings as a deduction from expenditure. Previously, these earnings were reported as revenue. The annual deficits are unchanged by this accounting policy change.
[4] Expenditure was increased by $21 million in 1996/97 and $24 million in 1997/98, due to changes in government's capitalization policy. This does not affect cash or debt requirements. For comparability, expenditure has been reduced $243 million in 1996/97 and $256 million in 1997/98 for the retroactive effect of pension policy changes introduced in 1999/00.
[5] Expenditure was increased by $12 million in 1999/00 due to changes in government's capitalization policy and the accounting for employee future benefits. The cash balance was revised downward by $4 million, debt remained unchanged.

Table A2.24 Historical Revenue by Source
Consolidated Revenue Fund
For Fiscal Years Ended March 31[1]

Year	Taxation	Natural Resource	Other Revenue	Contributions from Government Enterprises	Contributions from the Federal Government	Total
			($ millions)			
1985	5,015	721	886	360	1,825	8,807
1986	5,237	704	965	398	1,856	9,160
1987	5,354	658	979	448	2,024	9,463
1988	6,200	1,223	1,060	470	2,054	11,007
1989	6,973	1,272	1,729	447	2,149	12,570
1990[2]	8,095	1,249	1,464	727	2,121	13,656
1991	8,702	1,171	1,433	834	2,096	14,236
1992	8,997	1,101	1,573	701	2,198	14,570
1993	9,897	1,264	1,580	1,016	2,415	16,172
1994[3]	11,101	1,772	1,733	1,048	2,269	17,923
1995	11,937	2,244	1,835	1,028	2,462	19,506
1996[4]	12,509	2,026	1,801	968	2,394	19,698
1997	13,094	2,186	1,743	1,148	1,955	20,126
1998	13,103	2,197	1,799	1,280	1,837	20,216
1999	13,134	1,829	1,831	1,362	2,150	20,306
2000	13,378	2,517	1,888	1,454	2,609	21,846
2001	13,933	3,975	1,861	1,500	2,797	24,066

[1] Revenue has been restated to reflect the government's accounting policy at March 31, 2001. Further information is provided in footnotes to Table A2.4, and in the introduction to this appendix. Figures exclude dedicated revenue collected on behalf of, and transferred to, Crown corporations and agencies. These revenues are included as part of the operations of the Crown corporations and agencies. Figures are based on *Public Accounts* information.

[2] Beginning in 1989/90, other revenue has been restated to reflect a change in accounting policy to exclude sinking fund earnings from revenue.

[3] Beginning in 1993/94, revenue has been restated to reflect a change in accounting policy to show allowances for doubtful collection of revenue accounts as deductions from revenue. Previously, these amounts were recorded as expenditures.

[4] Beginning in 1995/96, other revenue has been restated to reflect a change in accounting policy to exclude from revenue and expenditure, non-cash exchanges of Crown land (of equivalent value) to third parties.

Table A2.25 Historical Expenditure by Function
Consolidated Revenue Fund
For Fiscal Years Ended March 31[1]

Year	Health	Social Services	Education	Transportation	Debt Servicing	Other[2]	Total
				($ millions)			
1985	3,042	1,266	2,455	1,263	275	1,500	9,801
1986	3,161	1,298	2,385	1,157	342	1,784	10,127
1987	3,446	1,298	2,495	905	384	2,096	10,624
1988	3,634	1,349	2,663	928	525	1,906	11,055
1989	4,012	1,440	2,920	844	530	2,088	11,834
1990[3]	4,502	1,496	3,228	1,199	457	2,318	13,200
1991	5,028	1,669	4,113[4]	1,188	478	2,534	15,010
1992	5,617	1,994	4,521	1,262	590	3,117	17,101
1993	6,003	2,366	4,804	1,078[5]	736	2,871	17,858
1994	6,287	2,704	4,984	1,024[5]	844	2,990	18,833
1995	6,584	2,890	5,252	907	931	3,389	19,953
1996	6,778	3,033	5,492	852	887	3,012	20,054
1997[6]	7,038	2,969	5,750	844	867	2,773	20,241
1998[6]	7,224	3,048	5,766	770	834	2,493	20,135
1999	7,479	3,031	5,825	790	838	2,624	20,587
2000[6]	8,017	3,011	5,975	1,697	835	2,677	22,212
2001	8,745	3,126	6,357	611	889	2,735	22,463

[1] Expenditure has been restated to reflect the government's accounting policy at March 31, 2001. Further information is provided in footnotes to Table A2.6 and the introduction to this chapter. Figures are based on *Public Accounts* information.

[2] Other includes: protection of persons and property, natural resources and economic development, general government and other expenditures.

[3] Beginning in 1989/90, expenditure has been restated to report sinking fund earnings as a deduction from expenditure. Previously, these earnings were reported as revenue. The annual deficits are unchanged by this accounting policy change.

[4] Beginning in 1990/91, the provincial government assumed full responsibility for contributions to school districts previously funded through residential school property taxes. As a result, some expenditures formerly financed by local school districts are included as expenditures of the government.

[5] Responsibility for highway capital construction was transferred to the BC Transportation Financing Authority in 1993/94.

[6] Certain prior years' comparative expenditure figures were increased reflecting a change in government's capitalization policy (1999/00 $7 million, 1997/98 $24 million, 1996/97 $21 million). 1999/00 was also increased by $5 million for an accounting change for employee future benefits.
For comparability, expenditure has been reduced $243 million in 1996/97 and $256 million in 1997/98 for the retroactive effect of pension policy changes introduced in 1999/00.

Table A2.26 Historical Provincial Debt Summary For Fiscal Years Ended March 31[1]

Year	Taxpayer-Supported Debt: Provincial Government Direct Operating	Taxpayer-Supported Debt: Education Facilities Capital Financing	Taxpayer-Supported Debt: Health Facilities Capital Financing	Taxpayer-Supported Debt: Highways, Ferries and Public Transit	Taxpayer-Supported Debt: Other[2]	Taxpayer-Supported Debt: Total Taxpayer-Supported Debt	Self-Supported Debt[3]	Total Provincial Debt	Total Provincial Debt as a Per Cent of GDP	Taxpayer-Supported Debt as a Per Cent of GDP
				($ millions)						
1970	—	338	42	142	100	622	1,661	2,283	25.7	7.0
1971	—	362	64	172	99	697	1,808	2,505	26.9	7.5
1972	—	380	85	233	95	793	1,948	2,741	26.5	7.7
1973	—	408	105	288	87	888	2,062	2,950	24.8	7.5
1974	—	425	117	340	145	1,027	2,228	3,255	22.1	7.0
1975	—	485	133	386	149	1,153	2,650	3,803	21.8	6.6
1976	—	557	178	544	145	1,424	3,144	4,568	23.4	7.3
1977	261	658	236	649	188	1,992	3,787	5,779	25.1	8.7
1978	261	710	291	656	215	2,133	4,464	6,597	25.7	8.3
1979	261	778	334	653	91	2,117	4,838	6,955	24.2	7.4
1980	235	836	401	730	195	2,397	5,704	8,101	24.3	7.2
1981	209	919	461	729	270	2,588	5,956	8,544	22.3	6.8
1982[4]	183	1,067	561	844	291	2,946	7,227	10,173	22.7	6.6
1983	883	1,204	660	1,024	894	4,665	7,692	12,357	27.5	10.4
1984	1,596	1,321	712	1,392	1,174	6,195	8,440	14,635	30.8	13.1
1985	2,476	1,308	717	691[5]	1,276	6,468	9,082[5]	15,550	31.2	13.0
1986	3,197	1,276	680	1,034	1,376	7,563	8,990	16,553	30.9	14.1
1987	4,802	1,268	681	1,097	812	8,660	8,485	17,145	30.3	15.3
1988	5,017	1,278	716	1,192	660	8,863	8,149	17,012	27.2	14.2
1989	4,919	1,322	763	1,213	842	9,059	7,396	16,455	23.7	13.1
1990	4,209	1,367	837	1,244	1,262	8,919	7,340	16,259	21.5	11.8
1991	4,726	1,565	959	1,287	1,281	9,818	7,444	17,262	21.8	12.4
1992	6,611	1,939	1,040	1,527	1,431	12,548	7,493	20,041	24.5	15.3
1993	8,969	2,426	1,141	1,719	1,641	15,896	7,526	23,422	26.9	18.3
1994	10,257[6]	3,054	1,181	1,862[6]	1,627	17,981	7,946	25,927	27.6	19.2
1995	10,181	3,631	1,318	2,158	1,749	19,037	8,013	27,050	27.0	19.0
1996	10,237	3,990	1,399	2,598	1,695[7]	19,919	8,847	28,766	27.3	18.9
1997	11,030	4,230	1,431	3,144	1,440[7]	21,275	8,096	29,371	27.1	19.6
1998	11,488	4,352	1,417	3,463	1,431[7]	22,151	8,204	30,355	26.7	19.5
1999	12,190	4,597	1,282	3,641	1,466[7]	23,176	9,057	32,233	28.3	20.3
2000	13,833[8]	4,978	1,451	3,487[8]	1,405[7]	25,154	9,297	34,451	29.0	21.2
2001	12,069	5,263	1,780	4,191	1,650[7,9]	24,953	8,882[9]	33,835	26.9	19.9

[1] Debt is after deduction of sinking funds and unamortized discounts, and excludes accrued interest. Government direct and fiscal agency accrued interest is reported in the government's accounts as an accounts payable.

[2] Includes the British Columbia Buildings Corporation, British Columbia Housing Management Commission, Provincial Rental Housing Corporation and other taxpayer-supported Crown corporations and agencies. Also includes loan guarantees to agricultural producers, guarantees issued under economic development assistance programs and loan guarantee provisions.

[3] Includes commercial Crown corporations and agencies and, beginning in 1995/96, funds held under the province's warehouse borrowing program.

[4] Statistics Canada revised provincial nominal GDP back to calendar year 1981 (fiscal year 1981/82). Debt-to-GDP ratios prior to 1981/82 are based on the previously published GDP estimates.

[5] Prior to 1984/85 debt outstanding for the British Columbia Railway Company was classified as taxpayer-supported debt. Beginning in 1984/85 the company was considered to be a commercial operation.

[6] Prior to the establishment of the BC Transportation Financing Authority in the spring of 1993, capital financing for highways was provided through provincial government direct operating debt.

[7] During the period 1995/96 to 1999/00 only an estimate for loan defaults had been included as government guarantees for student loans. Amounts have been restated to add the following guaranteed loans: 2000/01 - $129 million, 1999/00 - $224 million, 1998/99 - $226 million, 1997/98 - $187 million, 1996/97 - $128 million and 1995/96 - $53 million.

[8] Effective March 31, 2000, the provincial government assumed responsibility for fiscal agency loans of the British Columbia Ferry Corporation ($1,080 million) and 580440 British Columbia Ltd. (Vancouver Trade and Convention Centre) ($70 million).

[9] Based on a revised outlook for world pulp prices and its potential impact on the finances of 552513 British Columbia Ltd. (Skeena Cellulose Inc.), the company's debt has been reclassified from self-supported to taxpayer-supported in 2000/01. As the province is not the sole shareholder of Skeena Cellulose Inc., a portion of this debt may be attributable to the minority shareholder.

Table A2.27 Provincial Taxes (as of July 2001)

Type and Statute Reference	Tax Base	Tax Rate	Characteristics and Exemptions
Income— *Income Tax Act*	Taxable income: (1) Corporate.	16.5% of taxable income (small business rate: 4.5%).	Both personal and corporate taxes are administered by the Canada Customs and Revenue Agency under an agreement between the province and the federal government. Corporate tax credits include the manufacturing and processing tax credit, the scientific research and experimental development tax credit, the logging tax credit and the film tax credit. In addition, the provincial political contributions tax credit, the provincial royalty tax credit, the mining exploration tax credit and venture capital tax credits are available to both individuals and corporations.
	(2) Personal.	Tax rates of 7.3%, 10.5%, 13.7%, 15.7% and 16.7% corresponding to tax brackets of up to $30,484, $30,484 to $60,969, $60,969 to $70,000, $70,000 to $85,000 and over $85,000.	Under the personal income tax system, BC specifies its own tax brackets and corresponding tax rates directly to federally defined taxable income and provides its own set of non-refundable credits that reduce provincial taxes payable. BC's tax brackets and most non-refundable credits are indexed to provincial inflation. BC Family Bonus and BC Earned Income Benefit are combined with the federal government's Canada Child Tax Benefit in a single monthly payment to families. Tax credits for claims against personal and corporate income taxes include the refundable sales tax credit, refundable venture capital tax credit for individuals and non-refundable venture capital tax credit for corporations.
Capital — *Corporation Capital Tax Act*	Net BC paid-up capital for general corporations includes share capital, retained earnings and surpluses, liabilities and deferred credits less deductions for current accounts payable, specific investments and qualifying purchases of new capital assets. Special definition of net BC paid-up capital for banks, trust companies, credit unions and investment dealers.	General Rate: 0.3%. Banks, trust companies and credit unions with net paid-up capital: greater than $1 billion — 3%; $1 billion or less or headquartered in British Columbia — 1%.	Associated groups of corporations with net paid-up capital of less than $5.0 million are exempt from the tax. Family farm, cooperative, non-profit and other specified corporations are also exempt. The tax rate is phased in for corporations with net British Columbia paid-up capital between $5.0 million and $5.25 million. There is a special flat fee for corporations above the exemption threshold but with net paid-up capital allocated to British Columbia below the threshold.
Real Property Transfers — *Property Transfer Tax Act*	Fair market value of property or interest in property transferred.	1% on the first $200,000 of value transferred and 2% on amounts in excess of $200,000.	Exemptions include: transfers of principal residences, recreational residences or family farms to related individuals; transfers of property between spouses pursuant to written separation agreements or court orders; transfers of property to local governments, registered charities and educational institutions; transfers of property to veterans under the *Veterans' Land Act* (Canada); transfers of land to be protected, preserved, conserved or kept in a natural state; and transfers of leases less than 31 years in duration. A number of technical exemptions are also provided. Eligible first time home-buyers are exempt from tax on transfers of eligible properties.
Retail Sales — *Social Service Tax Act*	Purchase and lease price of tangible personal property, repair labour and legal services.	General rate is 7%. Liquor 10%. Passenger vehicles: under $32,000 — 7%; $32,000 to $33,000 — 8%; $33,000 to $34,000 — 9%; greater than $34,000 — 10%.	Collected through vendors and lessors registered under the act and paid by purchasers and lessees. The exemptions generally fall into four categories: (1) items considered to be basic necessities of life such as food and prescription and non-prescription drugs; (2) assistance to certain industries such as the exemption of specified equipment used by *bona fide* farmers, fishers and aquaculturists and the exemption of grinding media, explosives and drill bits used in mining; (3) safety-related equipment designed to be worn by a worker, such as high-visibility vests and steel-toed boots, and specified general safety equipment such as life jackets; (4) energy conservation materials and equipment such as insulation material for buildings, and eligible wind, solar and micro-hydro equipment.
Accommodation — *Hotel Room Tax Act*	Purchase price of accommodation.	8%. Eligible local governments may apply to have the province levy an additional tax of up to 2% in specified areas on their behalf.	Exemptions include accommodation rented for a period in excess of two months; lodging provided in hospitals and nursing homes; lodging supplied to employees by employers; lodging on ships or trains; hotel rooms not used for accommodation; charges of $20 or less per day; charitable institutions; trailer parks and campsites; cabins without utilities and other amenities; and establishments with less than four units of accommodation.

Table A2.27 Provincial Taxes (as of July 2001) — *Continued*

Type and Statute Reference	Tax Base	Tax Rate	Characteristics
Tobacco — *Tobacco Tax Act*	By cigarette, cigar retail price, and weight on other tobacco products.	11 cents per cigarette and tobacco stick; 77% of retail price on cigars to a maximum tax of $5 per cigar; 11 cents per gram of loose tobacco.	
Motor Fuel — *Motor Fuel Tax Act*			Tax generally applies to all fuels used in internal combustion engines. Qualifying persons with disabilities who own or lease a vehicle are entitled to refunds of provincial tax paid up to an annual maximum of $400. The province collects an additional tax on clear gasoline and motive fuel on behalf of local transit authorities to help cover transit costs. The tax amounts to 4 cents per litre in the Vancouver Regional Transit service area (collected on behalf of *TransLink*) and 2.5 cents per litre in the Victoria Regional Transit service area (collected on behalf of BC Transit).
◆	Clear gasoline (unleaded gasoline only).	As of July 1, 1997, 11 cents per litre. Includes 3.25 cents per litre collected on behalf of the BC Transportation Financing Authority, 1.25 cents per litre collected on behalf of the British Columbia Ferry Corporation and 5 cents collected on behalf of *TransLink* in the Greater Vancouver Regional District.	
◆	Motive fuel.	11.5 cents per litre. Includes 3.25 cents per litre collected on behalf of the BC Transportation Financing Authority, 1.25 cents per litre on behalf of the British Columbia Ferry Corporation and 5 cents collected on behalf of *TransLink* in the Greater Vancouver Regional District.	Tax applies to any fuel except unleaded gasoline, gasohol, natural gas, propane and butane used in a motor vehicle. Refunds of 0.5 cents per litre are available for motive fuel used in private passenger vehicles.
◆	Alternative Fuels.	Propane 2.1 cents per litre.	Natural gas, 85% ethanol and methanol blends are exempt from tax.
◆	Coloured fuel, marine diesel fuel.	3 cents per litre.	Coloured fuel may only be used for specified primary production and industrial uses. *Bona fide* farmers are exempt from paying the tax when fuel is used for farming purposes.
◆	Aviation and locomotive fuel.	3 cents per litre.	Aviation fuel tax applies to fuel produced specifically for use in an aircraft that is not propelled by a turbine.
◆	Jet fuel — domestic.	5 cents per litre.	Jet fuel tax applies to fuel produced specifically for use in an aircraft that is propelled by a turbine. Domestic flights originate and end in Canada.
◆	Jet fuel — international.	2 cents per litre.	International flights originate or end outside of Canada. There is a tax exemption for fuel used to carry cargo.

Table A2.27 Provincial Taxes (as of July 2001) — *Continued*

Type and Statute Reference	Tax Base	Tax Rate	Characteristics
	◆ Natural gas used in stationary engines.	7% of price if purchased. 1.1 cents per 810.32 litres if used but not purchased.	Tax applies to natural gas used in stationary engines other than pipeline compressors.
	◆ Natural gas used in pipeline compressors to transmit marketable gas.	1.9 cents per 810.32 litres.	Tax applies to natural gas used in a stationary engine at a pipeline compressor station.
	◆ Natural gas used in pipeline compressors to extract and transmit raw gas from wells to processing plants.	0.55 cents per 810.32 litres.	
	◆ Natural gas used in compressors to re-inject sour gas into depleted wells.	Exempt.	
	◆ Marine bunker.	7% of purchase.	Tax applies to bunker fuel, or a combination of bunker and other fuels used as fuel in a ship.
Race-meetings — *Horse Racing Tax Act*	Parimutuel betting pool.	7%.	Total provincial tax, net of commissions, is returned to the British Columbia Racing Commission to be spent on increased purses, maintenance of a breeders incentive fund, grants for breeders societies, operating race courses and horse racing meets, equine health research, and capital construction projects and related research costs.
Natural resources — *Logging Tax Act*	Net income from logging in B.C.	10% (fully recoverable against federal and provincial corporation income tax).	Tax applied to net income from logging after deducting non-forestry income and a processing allowance.
Mineral Land Tax Act	Assessed value of freehold mineral land and production areas.	Undesignated mineral land — $1.25 to $4.94 per hectare. Designated production areas — $4.94 per hectare.	Tax rates set on sliding scale, dependent on size and designation of land.
Mineral Tax Act	Cash flow from individual metal and coal mines (other than placer gold mines).	2% of net current proceeds (NCP). 13% of net revenue (NR).	Tax calculated on a mine-by-mine basis. NCP tax paid on current operating cash flow until all current and capital costs, plus any investment allowance, are recovered. NR tax paid thereafter on cumulative cash flow. NCP tax creditable against NR tax.
	Volume of production of limestone, dolomite, marble, shale, clay, volcanic ash, diatomaceous earth, sandstone, quartzite and dimension stone.	$0.15 per tonne removed from all quarries operated.	An operator may deduct 25,000 tonnes from the total number of tonnes removed from all quarries operated by that operator. However, the amount deducted from any one quarry by all operators of that quarry must not exceed 25,000 tonnes.
	Value of minerals sold by placer gold mines.	0.5% of value of minerals sold.	
Insurance — *Insurance Premium Tax Act*	Direct premiums written.	4% for vehicle and general insurance; 2% for life, sickness, personal accident and loss of salary and wages insurance.	Exemptions — benefit societies; mutual corporations with 50% of income from farm or 100% from religious, educational or charitable institutions; marine, except pleasure craft; approved medical or hospitalization plans.
Real property — *Taxation (Rural Area) Act*	Assessed value of land and improvements in rural areas (outside municipalities). Assessment determined under the *Assessment Act.*	Annual rates are 0.05% for farms and managed forest land; 0.102% for residential; 0.17% for recreational property/non-profit organizations; 0.37% for light industry, business and other property not contained in any other class; 0.42% for utilities; 0.45% for major industry and unmanaged forest land.	Some exemptions apply under various statutes.

Table A2.27 Provincial Taxes (as of July 2001) — *Continued*

Type and Statute Reference	Tax Base	Tax Rate	Characteristics
Residential school tax — *School Act*	Assessed value of residential land and improvements. Assessment determined under the *Assessment Act*.	Annual rates vary by school district; ranges from about 0.25% to 0.9%; weighted average 0.37%.	Basic rates are calculated using a formula to moderate effects of varying average assessments on school district taxes. School districts may levy additional tax if authorized by local referendum.
Non-residential school tax — *School Act*	Assessed value of non-residential land and improvements. Assessment determined under the *Assessment Act*.	Annual rates are 0.45% for recreational property/non-profit organizations; 0.23% for managed forest land; 0.68% for farms; 0.99% for light industry, business and other property not contained in any other class; 1.2% for unmanaged forest land; 1.25% for major industry; 1.5% for utilities.	Some exemptions apply under various statutes.

❑

Table A2.28 Interprovincial Comparisons of Tax Rates for 2001 (as of July 1, 2001)

	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Provincial personal income tax (as a per cent of family income)[1]	4.4	4.1	6.2	5.7	3.6	6.0	6.0	6.3	6.1	6.7
Corporation income tax (per cent of taxable income)[2]										
General rate	16.5	13.5	17.0	17.0	14.0	9.04/16.25	16.0	16.0	16.0	14.0
Manufacturing rate	16.5	13.5	10.0	17.0	12.0	9.04	16.0	16.0	7.5	5.0
Small business rate	4.5	5.0	6.0	6.0	6.5	9.04	4.0	5.0	7.5	5.0
Corporation capital tax (per cent)[3]										
Non-financial	0.3	*Nil*	0.6	0.3/0.5	0.3	0.64	0.3	.5/0.25	*Nil*	*Nil*
Financial	1.0/3.0	*Nil*	.7/3.25	3.0	.6/.72/.9	1.55	3.0	3.0	3.0	4.0
Health care monthly premiums (individual/family)[4]	$36/$72	$34/$68	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Payroll tax (per cent)[5]	*Nil*	*Nil*	*Nil*	2.15	1.95	4.26	*Nil*	*Nil*	*Nil*	2.0
Insurance premium tax (per cent)[6]	2.0-4.0	2.0-3.0	3.0-4.0	2.0-3.0	0-3.0	2.0-3.0	2.0-3.0	3.0-4.0	3.5	4.0
Fuel tax (cents per litre)[7]										
Gasoline	11.0	9.0	15.0	11.5	14.7	19.2	10.7	13.5	13.0	16.5
Diesel	11.5	9.0	15.0	10.9	14.3	20.2	13.7	15.4	13.5	16.5
Sales tax (per cent)[8]										
General rate	7.0	*Nil*	6.0	7.0	8.0	7.5	8.0	8.0	10.0	8.0
Liquor	10.0	*Nil*	7.0	7.0	12.0	7.5	8.0	8.0	35.0	8.0
Meals	*Nil*	*Nil*	*Nil*	7.0	8.0	7.5	8.0	8.0	10.0	8.0
Accommodation[9]	8.0	5.0	6.0	7.0	5.0	7.5	8.0	8.0	10.0	8.0
Tobacco tax (dollars per carton of 200 cigarettes)[10]	$22.00	$14.00	$19.70	$22.35	$9.70	$10.60	$14.82	$16.60	$15.90	$25.96

[1] Calculated for a two-income family of four with one spouse earning $35,000 and the other $20,000. Income taxes are based on basic personal credits, applicable provincial credits and typical major deductions.

[2] The Quebec rate includes a "youth fund" tax of 1.6 per cent. On April 1, 2002, Alberta's general and manufacturing rates will be reduced to 11.5 per cent and the small business rate will be reduced to 4 per cent. Alberta, Ontario and Manitoba plan further reductions in their small business rates in future years. Saskatchewan's small business rate is reduced to 6% effective July 1, 2001.

[3] The British Columbia rates apply only to corporations with paid-up capital in excess of $5.0 million; Alberta eliminated its capital tax effective April 1, 2001; Ontario levies a 10% surcharge on certain large banks. Large Saskatchewan resource corporations are assessed a 3.6 per cent surcharge on the value of Saskatchewan resource sales. The Quebec financial rate includes a 0.25 per cent additional "compensation tax". The Nova Scotia tax is scheduled to end after March 31, 2002.

[4] British Columbia has a two-person rate of $64 per month. British Columbia and Alberta offer premium assistance in the form of lower rates or an exemption from premiums for lower-income individuals and families.

[5] Manitoba, Ontario and Newfoundland provide payroll tax relief for small businesses.

[6] The lower rate applies to premiums for life, sickness and accident insurance; the higher rate applies to premiums for property insurance. The rate on automobile insurance is 4 per cent in British Columbia and Saskatchewan, and 3 per cent in Ontario. Sales tax applies to insurance premiums, except those related to individual life and health, in Ontario (8 per cent), Newfoundland (12 per cent) and Quebec (9 per cent). The sales tax is 5 per cent for auto insurance in Quebec.

[7] Tax rate is for regular unleaded fuel used on highways. The British Columbia rate includes three cents per litre dedicated to the BC Transportation Financing Authority, one cent per litre dedicated to the British Columbia Ferry Corporation and four cents per litre dedicated to *TransLink*, Vancouver's regional transportation authority. The rates do not include regional taxes. The Quebec rate includes estimated sales tax.

[8] The Quebec and Prince Edward Island tax rates are imposed on top of the federal goods and services tax.

[9] The British Columbia rate includes 1.65 percentage points which are imposed on behalf of Tourism British Columbia.

[10] Includes estimated provincial sales tax where applicable.

Table A2.29 Summary of Major Tax Changes Announced up to June 30, 2001

Income Tax Act

Personal:

- All five provincial personal income tax bracket rates are reduced for 2001 and for 2002 and subsequent tax years. The rates for the five brackets for 2001 in percentages are 7.3, 10.5, 13.7, 15.7 and 16.7; for 2002 the percentages are 6.05, 9.15, 11.7, 13.7 and 14.7.

Corporate:

- The provincial small business rate is decreased to 4.5 per cent from 4.75 per cent effective January 1, 2001.

Corporation Capital Tax Act

- As previously announced, the exemption threshold is increased from $3.5 million to $5 million effective January 1, 2001.

Social Service Tax Act

- Effective March 16, 2001, an exemption for purchasers of prototypes, other than software prototypes, is provided.
- Also effective March 16, 2001, prescribed used boom gear purchased by the forest industry to construct booms for towing logs to mills and to market is exempt from tax.
- To avoid placing British Columbia ports at a competitive disadvantage to American ports, effective March 16, 2001, the tax free period for eligible barge mounted cranes brought into the province is increased from 5 days to 40 days.

School Act

- For 2001, the province maintains average gross residential school taxes at 2000 levels by adjusting school property tax rates in response to changes in average assessed values. A separate residential tax rate is set for each school district. Some homeowners will experience an increase in their school taxes, while others will have offsetting reductions.
- For each of the eight non-residential property classes, a single, province-wide rate is set. Non-residential school tax rates are unchanged from last year. Individual property tax bills for non-residential property owners may rise or fall depending on changes in assessment.

Taxation (Rural Area) Act

- The province maintains average gross residential rural area taxes at 2000 levels by keeping the rural residential tax rate constant. Assessments, on average, were stable. Non-residential rates were not changed from last year.

Motor Fuel Tax Act

- Effective April 1, 2001, the portion of tax on clear gasoline and diesel fuel transferred to *TransLink* is increased by 1 cent per litre.

  New regulations that establish a general tax policy for environmentally beneficial alternative motor fuels, came into effect January 1, 2001. Preferential tax rates for these fuels are determined by environmental benefits and market shares. Under the regulations, propane is taxed at a rate of 2.1 cents per litre, while natural gas and high ethanol and methanol blends continue to be exempt.

Appendix 3.1: Lieutenant Governor, Executive Council and Members of the Thirty-seventh Legislative Assembly (as of October 2001)

Legislative powers in British Columbia are exercised by a single legislative chamber, which is elected for a term of up to five years. The legislative assembly represents the people of British Columbia in the conduct of the province's affairs. The assembly is required by law to meet at least once a year with a normal session lasting several months. However, special sessions can last just a few days or many months, depending on the nature of the government's business. The legislature, which consists of the Lieutenant Governor and 79 elected members of the legislative assembly, is comprised as follows:

LIEUTENANT GOVERNOR

Her Honour the Honourable Iona Campagnolo, C.M., O.B.C.

EXECUTIVE COUNCIL (Cabinet)

Premier and President of the Executive Council	Honourable Gordon Campbell
Minister of Advanced Education	Honourable Shirley Bond
Minister of Agriculture, Food and Fisheries	Honourable John van Dongen
Attorney General and Minister Responsible for Treaty Negotiations	Honourable Geoff Plant
Minister of Children and Family Development	Honourable Gordon Hogg
Minister of Community, Aboriginal and Women's Services	Honourable George Abbott
Minister of Competition, Science and Enterprise	Honourable Rick Thorpe
Minister of Education and Deputy Premier	Honourable Christy Clark
Minister of Energy and Mines	Honourable Richard Neufeld
Minister of Finance	Honourable Gary Collins
Minister of Forests	Honourable Michael de Jong
Minister of Health Planning	Honourable Sindi Hawkins
Minister of Health Services	Honourable Colin Hansen
Minister of Human Resources	Honourable Murray Coell
Minister of Skills Development and Labour	Honourable Graham Bruce
Minister of Management Services	Honourable Sandy Santori
Minister of Provincial Revenue	Honourable Bill Barisoff
Minister of Public Safety and Solicitor General	Honourable Rich Coleman
Minister of Sustainable Resource Management	Honourable Stan Hagen
Minister of Transportation	Honourable Judith Reid
Minister of Water, Land and Air Protection	Honourable Joyce Murray
Minister of State for Intergovernmental Relations	Honourable Greg Halsey-Brandt
Minister of State for Early Childhood Development	Honourable Linda Reid
Minister of State for Community Charter	Honourable Ted Nebbeling
Minister of State for Women's Equality	Honourable Lynn Stephens
Minister of State for Deregulation	Honourable Kevin Falcon
Minister of State for Mental Health	Honourable Gulzar Cheema
Minister of State for Intermediate, Long Term and Home Care	Honourable Katherine Whittred

Speaker: Honourable Claude H. Richmond

Deputy Speaker: John Weisbeck, MLA

Clerk of the Legislative Assembly: E. George MacMinn, Q.C.

Sergeant-at-Arms: Anthony A. Humphreys

Members of the Legislative Assembly (M.L.A.)	Political Party	Electoral District
Abbott, Hon. George	Liberal	Shuswap
Anderson, Val	Liberal	Vancouver-Langara
Barisoff, Hon. Bill	Liberal	Penticton-Okanagan Valley
Bell, Pat	Liberal	Prince George North
Belsey, Bill	Liberal	North Coast
Bennett, Bill	Liberal	East Kootenay
Bhullar, Tony	Liberal	Surrey-Newton
Bloy, Harry	Liberal	Burquitlam
Bond, Hon. Shirley	Liberal	Prince George-Mount Robson
Bray, Jeff	Liberal	Victoria-Beacon Hill
Brenzinger, Elayne	Liberal	Surrey-Whalley
Brice, Susan	Liberal	Saanich South
Bruce, Hon. Graham	Liberal	Cowichan-Ladysmith
Campbell, Hon. Gordon	Liberal	Vancouver-Point Grey
Cheema, Hon. Gulzar	Liberal	Surrey-Panorama Ridge
Chong, Ida	Liberal	Oak Bay-Gordon Head
Christensen, Tom	Liberal	Okanagan-Vernon
Chutter, Dave	Liberal	Yale-Lillooet
Clark, Hon. Christy	Liberal	Port Moody-Westwood
Cobb, Walt	Liberal	Cariboo South
Coell, Hon. Murray	Liberal	Saanich North and the Islands
Coleman, Hon. Rich	Liberal	Fort Langley-Aldergrove
Collins, Hon. Gary	Liberal	Vancouver-Fairview
de Jong, Hon. Michael	Liberal	Abbotsford-Mount Lehman
Falcon, Hon. Kevin	Liberal	Surrey-Cloverdale
Hagen, Hon. Stan	Liberal	Comox Valley
Halsey-Brandt, Hon. Greg	Liberal	Richmond Centre
Hamilton, Arnie	Liberal	Esquimalt-Metchosin
Hansen, Hon. Colin	Liberal	Vancouver-Quilchena
Harris, Roger	Liberal	Skeena
Hawes, Randy	Liberal	Maple Ridge-Mission
Hawkins, Hon. Sindi	Liberal	Kelowna-Mission
Hayer, Dave	Liberal	Surrey-Tynehead
Hogg, Hon. Gordon	Liberal	Surrey-White Rock
Hunter, Mike	Liberal	Nanaimo
Jarvis, Daniel	Liberal	North Vancouver-Seymour
Johnston, Ken	Liberal	Vancouver-Fraserview
Kerr, Brian J.	Liberal	Malahat-Juan de Fuca
Krueger, Kevin	Liberal	Kamloops-North Thompson
Kwan, Jenny	New Democrat	Vancouver-Mount Pleasant
Lee, Richard T.	Liberal	Burnaby North
Lekstrom, Blair	Liberal	Peace River South
Les, John	Liberal	Chilliwack-Sumas
Locke, Brenda	Liberal	Surrey-Green Timbers
Long, Harold	Liberal	Powell River-Sunshine Coast
MacKay, Dennis	Liberal	Bulkley Valley-Stikine
MacPhail, Joy K.	New Democrat	Vancouver-Hastings
Manhas, Karn	Liberal	Port Coquitlam-Burke Mountain
Masi, Reni	Liberal	Delta North
Mayencourt, Lorne	Liberal	Vancouver-Burrard
McMahon, Wendy	Liberal	Columbia River-Revelstoke
Murray, Hon. Joyce	Liberal	New Westminster
Nebbeling, Hon. Ted	Liberal	West Vancouver-Garibaldi
Nettleton, Paul	Liberal	Prince George-Omineca
Neufeld, Hon. Richard	Liberal	Peace River North
Nijjar, Rob	Liberal	Vancouver-Kingsway
Nuraney, John	Liberal	Burnaby-Willingdon
Orr, Sheila	Liberal	Victoria-Hillside
Penner, Barry	Liberal	Chilliwack-Kent
Plant, Hon. Geoff	Liberal	Richmond-Steveston
Reid, Hon. Judith	Liberal	Nanaimo-Parksville
Reid, Hon. Linda	Liberal	Richmond East
Richmond, Hon. Claude	Liberal	Kamloops

Roddick, Valerie	Liberal	Delta South
Sahota, Patty	Liberal	Burnaby-Edmonds
Santori, Hon. Sandy	Liberal	West Kootenay-Boundary
Stephens, Hon. Lynn	Liberal	Langley
Stewart, Ken	Liberal	Maple Ridge-Pitt Meadows
Stewart, Richard	Liberal	Coquitlam-Maillardville
Suffredine, Blair F.	Liberal	Nelson-Creston
Sultan, Ralph	Liberal	West Vancouver-Capilano
Thorpe, Hon. Rick	Liberal	Okanagan-Westside
Trumper, Gillian	Liberal	Alberni-Qualicum
van Dongen, Hon. John	Liberal	Abbotsford-Clayburn
Visser, Rod	Liberal	North Island
Weisbeck, John	Liberal	Kelowna-Lake Country
Whittred, Hon. Katherine	Liberal	North Vancouver-Lonsdale
Wilson, John	Liberal	Cariboo North
Wong, Patrick	Liberal	Vancouver-Kensington

Party standings: Liberal 77, New Democrat 2; Total 79.

Cabinet Committee Structure

The objective of the Cabinet committee system is to provide for an efficient process for managing the numerous and complex decisions requiring Cabinet attention. The system consists of Cabinet, Treasury Board, statutory committees of Cabinet and specific time-limited committees established by the Premier. Major elements of the Cabinet committee system are described below.

Cabinet — Cabinet is the ultimate decision-making body in government and is accountable for all government decisions. Proposals are not approved until reviewed by Cabinet, but the analysis and discussion of a proposal may be delegated to a Cabinet committee. Cabinet's focus is on discussion of strategic priorities and substantive issues, and acceptance or rejection of recommendations in relation to these.

Treasury Board — Treasury Board is a statutory body with roles and responsibilities set out in the *Financial Administration Act*. The board is chaired by the Minister of Finance. The board deals with any issue that is largely financial in nature, particularly those involving significant expenditure decisions and those related to the province's annual budget and estimates process (including economic and revenue forecasts). The board reviews subsidy and dividend levels, fee and licence rates, rates of return and capital project evaluation standards for Crown corporations and receives the operations and management audits of these corporations. The board also determines government accounting policies and practices.

Government Caucus Committees — Government Caucus Committees are appointed by the Premier and are chaired by a MLA with a minister as vice-chair. Currently there are five committees, each with 15 members composed of four to six ministers and eight to ten MLAs. The five committees are: Economy, Health, Communities and Safety, Natural Resources, and Government Operations. These committees review Cabinet submissions in detail and make recommendations to Cabinet for final approval. They also hear public delegations, review draft legislation, and review and sign-off on ministry service plans.

Legislative Committees

Committees are appointed by the Legislative Assembly to undertake business on behalf of the Assembly and are composed of between 10 to 12 members. At the end of its deliberations, a committee must report its findings and recommendations to the Legislative Assembly. Select standing committees are established at the commencement of each session, as set out under Standing Order 68(1). Currently there are seven select standing committees (for a listing, visit the legislative web site at www.legis.gov.bc.ca). Special committees are also established to examine a single, specific issue. A special committee ceases to exist after it has completed its investigation and presented its final report to the Legislative Assembly. A common type of special committee is one that recommends the appointment of statutory officers of the Legislature.

Statutory Officers

Statutory Officers play an important role in the process of holding the government accountable to the Legislative Assembly and the public. They assist the Members of the Legislative Assembly with the monitoring and assessing of government programs, procedures, and performance. Statutory Officers serve for fixed terms, which vary according the statute governing each position. The current Statutory Officers serving the Legislative Assembly are:

Elections B.C. — responsible for the impartial administration of the provincial elections and referendums, recalls and initiatives, as well as voter registration and outreach.

Office of the Auditor General — provides independent assessments of the financial statements provided by government to the Legislative Assembly. The Auditor General also audits and evaluates government operations, reliability of financial reporting, and compliance with applicable laws and regulations. In addition, the Auditor General recommends ways to improve public-sector administration.

Office of the Child, Youth and Family Advocate — ensures that the rights and interests of children, youth and their families relating to designated services are protected and advanced, and that children and youth have access to appropriate and effective review and appeal processes. The advocate supports, promotes and coordinates the establishment of advocacy services for children, youth and their families in their local communities, and provides information and advice to government and communities about designated services for these groups. The advocate reports annually to the legislature and may make recommendations about legislation, policies and practices respecting services for, or the rights of, children, youth and their families.

Office of the Conflict of Interest Commissioner — annually prepares and files a public disclosure statement with respect to the financial affairs of each member of the Legislative Assembly. The commissioner also responds to requests for opinions and advice with respect to compliance with the *Members' Conflict of Interest Act* from individual members, the executive council and the Legislative Assembly; and, when requested, provides an opinion on allegations of contravention of the act. The commissioner files an annual report with the Assembly and may, at the request of the executive or the Legislative Assembly, undertake and report on any assignment the commissioner considers appropriate.

Office of the Information and Privacy Commissioner — the commissioner is responsible for monitoring and enforcing compliance with the *Freedom of Information and Protection of Privacy Act*. The act provides for public access to records held by public bodies and defines limited exceptions to the right of access. It also establishes strict standards about how public bodies collect, use and disclose personal information, and guarantees the individual's right to see that information and to make corrections. Any applicant who is denied access to information by a decision of a public body may ask the commissioner to review the decision. The commissioner has the power to issue binding orders with which the government must comply within 30 days.

Office of the Ombudsman — the Ombudsman is responsible for investigating complaints of unfair administrative practices within provincial government ministries, Crown corporations and certain other public authorities including schools, school boards, colleges, universities, hospitals and the governing bodies of professional and occupational associations.

Office of the Police Complaints Commissioner — provides independent civilian oversight of all aspects of an investigation into complaints made against municipal constables, deputy chief constables, chief constables and municipal police departments. The commissioner has specific powers to direct that a complaint concerning the police be reclassified or reinvestigated, investigated by an outside police department or that an investigation be monitored by an independent civilian observer appointed by the commissioner. The commissioner may also order that a public hearing take place before a provincial court judge if it is in the public interest, and may ask the Attorney General to order a broader public inquiry under the *Inquiry Act*.

Appendix A3.2: Government Agents (as of October 2001)

Government Agents offices are located in the following 59 communities, where they provide the public with one-stop access to provincial government information and services.

British Columbians access a wide range of government services at their local Government Agent office. The Government Agent office is the place to go to conduct a transaction with the provincial government — such as taking a driver's licence test or paying Medical Services Plan premiums — as well as to make an inquiry about government services. Businesses can complete key government transactions with a minimum of red tape, including One-Stop Business Registrations and payment of provincial sales taxes. Government Agents also have information on consumer tax, land tax, mining claims and registration, Crown lands and the Small Business Database.

Information on other services provided is also available on the Internet at www.governmentagents.sb.gov.bc.ca.

Nineteen of the 59 Government Agent offices are Access Centres. These centres group together staff from various ministries in the community to cost-effectively and efficiently deliver "one-stop shopping" for government services. This common counter approach provides improved access to a number of widely used programs.

Location	Telephone Area Code (250)	Government Agent	Location	Telephone Area Code (250)	Government Agent
Ashcroft	453-2412	Walter Poohachoff	Nakusp	265-3646	Judy Young
Atlin	651-7595	Glen Ferrier	Nanaimo*	741-3636	Chris Reich
Bella Coola	799-5361	Chris Millham	Nelson*	354-6104	Barb Henry
Burns Lake	692-7117	Emiko Fukushima	Oliver	498-3818	Doug Blatchford
Campbell River*	286-7555	Jeff MacKenzie	100 Mile House*	395-5595	Wendy Benham
Chetwynd	788-2239	Marty Nelson	Penticton	492-1211	Jim Torrance
Chilliwack*	(604) 795-8415	Jim Hay	Port Alberni	724-9200	Sven Buemann
Clinton	459-2268	Walter Poohachoff	Port Hardy	949-6323	Bill Newman
Courtenay*	897-7500	Rita Daniele	Powell River	(604) 485-3622	Robert Woods
Cranbrook*	426-1211	Marilynne Ferguson	Prince George*	565-4488	Bill Christie
Creston	428-3211	Irene Walker	Prince Rupert	624-7415	Perry Slump
Dawson Creek*	784-2224	Garry Fuhr	Princeton	295-6957	Cheryll McEvoy
Dease Lake	771-3700	Michael Boreen	Queen Charlotte City	559-4452	Andrea deBucy
Duncan*	746-1400	Byron Johnston	Quesnel	992-4313	Deborah Lipscombe
Fernie	423-6845	Sharon Arola	Revelstoke	837-4620	Phil Welock
Fort Nelson	774-6945	Jeanette Hall	Salmon Arm*	832-1611	Erich Breitkreuz
Fort St. James	996-7585	Louly Thomson	Sechelt	885-5187	Gary Swift
Fort St. John*	787-3350	Marie Moore	Smithers*	847-7207	Don McMillan
Ganges	537-5414	Byron Johnston	Sparwood	425-6363	Sharon Arola
Golden	344-7550	Dodie Hodgins	Squamish	(604) 892-2400	Lorne Wilson
Grand Forks	442-8931	Dan Martin	Stewart	636-2294	Les Deacon-Rogers
Houston	845-2990	Don McMillan	Terrace*	638-6515	Perry Slump
Invermere	342-4260	Marilynne Ferguson	Trail*	364-0591	Wayne Hakanson
Kamloops	828-4540	Walter Poohachoff	Ucluelet	726-7025	Jim Spalding
Kaslo	353-2219	Barb Henry	Valemount	566-4448	Lidwina Flavelle
Kitimat	632-6188	Gordon Fox	Vanderhoof*	567-6301	Lillian Abbott
Lillooet	256-7548	Bob Hall	Vernon*	549-5511	Franco Marolla
Mackenzie	997-4270	Sarah Smith	Victoria	356-7915	Darlene Driediger
Maple Ridge	(604) 467-6901	Sandy Lane	Williams Lake*	398-4211	Wendy Benham
Merritt*	378-9343	Gordon Swan			

* Access Centre.

Appendix 3.3: Major British Columbia Crown Corporations and Agencies[1] (as of October 2001)

Corporate Entity	Address and Telephone No.	Chief Financial Officer	Minister Responsible	Functions
Commercial:				
British Columbia Hydro and Power Authority	333 Dunsmuir Street Vancouver BC V6B 5R3 (604) 528-1600	**David Harrison** Executive Vice President, Corporate & Financial Affairs and Chief Financial Officer 18th Floor – 333 Dunsmuir Street Vancouver BC V6B 5R3 Ph: (604) 623-4128 Fx: (604) 623-4511 e-mail: David.Harrison@bchydro.com	Minister of Energy and Mines	Generation, transmission and distribution of electricity.
British Columbia Lottery Corporation	74 West Seymour Street Kamloops BC V2C 1E2 (250) 828-5500 (Kamloops) (604) 270-0649 (Richmond)	**Doug Penrose** Vice President, Finance & Corporate Services 74 West Seymour Street Kamloops BC V2C 1E2 Ph: (250) 828-5610 Fx: (250) 828-5637 e-mail: dpenrose@bclc.com	Minister of Public Safety and Solicitor General	Develop, conduct and manage lottery operations on behalf of the provincial government and in conjunction with other provinces.
British Columbia Railway Company	PO Box 8770 Vancouver BC V6B 4X6 (604) 986-2012	**Doug Wilkes** Vice President of Finance and Chief Financial Officer 6th Floor – 221 West Esplanade North Vancouver BC V7M 3J1 Ph: (604) 984-5108 Fx: (604) 984-5201 e-mail: wilkesd@bcrail.com	Minister of Transportation	Operation of a railway, deep-sea terminal facilities, stevedoving operations, real estate development company and joint venture management company.
Columbia Power Corporation	PO Box 9136 Stn Prov Govt 3rd Floor, 844 Courtney Street Victoria BC V8W 9B5 (250) 953-5179	**Randy Smith** Comptroller 3rd Floor – 844 Courtney Street Victoria BC V8W 9B5 Ph: (250) 387-0039 Fx: (250) 356-2819 e-mail: randy.smith@gems6.gov.bc.ca	Minister of Energy and Mines	Develop and operate power projects in the Columbia Basin Region.
Insurance Corporation of British Columbia	151 West Esplanade North Vancouver BC V7M 3M9 (604) 661-2800	**Geri Prior** Vice President of Finance & Chief Financial Officer 2600 – 200 Granville Street Vancouver BC V6C 1S4 Mailing address: 151 West Esplanade North Vancouver BC V7M 3H9 Ph: (604) 408-4022 Fx: (604) 408-4040 Email: geri.prior@icbc.com	Minister of Finance	Provision of automobile insurance.

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Appendix 3.3 Major British Columbia Crown Corporations and Agencies[1] (as of October 2001) – *Continued*

Corporate Entity	Address and Telephone No.	Chief Financial Officer	Minister Responsible	Functions
Commercial: – *Continued*				
Liquor Distribution Branch	2625 Rupert Street Victoria BC V5M 3T5 (604) 252-3150	**Roger Bissoondatt** Executive Director & Chief Financial Officer 2625 Rupert Street Vancouver BC Mail: 3200 East Broadway Street Vancouver BC V5M 1Z6 Ph: (604) 252-3150 Fx: (604) 252-3175 e-mail: roger.bissoondatt@bcliquorstores.com	Minister of Competition, Science and Enterprise	Purchase, distribution and sale of alcoholic beverages.
Economic Development:				
BC Transportation Financing Authority	Suite 300, 940 Blanshard Street Victoria BC V8W 3E6 (250) 356-0981	**Faye Zinck** Director, Finance 3rd Floor – 940 Blanshard Street PO Box 9900 Stn Prov Govt Victoria BC V8W 9R1 Ph: (250) 356-0986 Fx: (250) 356-6970 e-mail: faye.zinck@gems4.gov.bc.ca	Minister of Transportation	Provide planning and integrated coordination for the construction of all aspects of provincial highway infrastructure.
B.C. Pavilion Corporation	Suite 600 – 375 Water Street Vancouver BC V6B 5C6 (604) 482-2000	**John Harding** Chief Financial Officer Suite 600 – 375 Water Street Vancouver BC V6B 5C6 Ph: (604) 482-2200 Fx: (604) 681-9017 e-mail: jharding@bcpavco.com	Minister of Competition, Science and Enterprise	Management of public facilities including Vancouver Convention and Exhibition Centre, the Bridge Studios, and BC Place Stadium.
British Columbia Ferry Corporation	1112 Fort Street Victoria BC V8V 4V2 (250) 381-1401	**Rob Clarke** Vice President BC Ferry Corporation 1112 Fort Street Victoria BC V8V 4V2 Ph: (250) 978-1301 Fx: (250) 380-6583 e-mail: rob.clarke@bcferries.com	Minister of Transportation	Operation of coastal ferry service.
British Columbia Transit	520 Gorge Road East Victoria BC V8W 2P3 (250) 995-5602	**Tony Sharp** Vice-President, Finance and Administration 520 Gorge Road East Victoria BC V8W 2P3 Ph: (250) 995-5602 Fx: (250) 995-5643 e-mail: tony_sharp@bctransit.com	Minister of Transportation	Provision and maintenance of public transportation systems.
Columbia Basin Trust	Suite 300 - 445 – 13th Avenue Castlegar BC V1N 1G1 Ph: (800) 505-8998	**Bob Krysac** Chief Financial Officer Suite 300 - 445 – 13th Avenue Castlegar BC V1N 1G1 Ph: (250) 365-6633 Fx: (250) 265-2246 Toll free: 1-800-505-8998 e-mail: bkrysac@cbt.org	Minister of Energy and Mines	Investment of benefits derived from the Columbia River Treaty in the Columbia Basin Region, including development of power projects managed by the Columbia Power Corporation.

Appendix 3.3 Major British Columbia Crown Corporations and Agencies[1] (as of October 2001) – *Continued*

Corporate Entity	Address and Telephone No.	Chief Financial Officer	Minister Responsible	Functions
Economic Development: – *Continued*				
Forest Renewal BC	9th Floor – 727 Fisgard Street Victoria BC V8W 9R1 (250) 387-2500	**Alex Mackie** Controller 9th Floor – 727 Fisgard Street Victoria BC V8W 9R1 Ph: (250) 356-9954 Fx: (250) 387-2584 e-mail: Alex.Mackie@gems9.gov.bc.ca	Minister of Forests	Oversees spending of funds into forest renewal activities.
Okanagan Valley Tree Fruit Authority	PO Box 6000 4200 Highway 97 Summerland BC V0H 1Z0 (250) 494-5021	**Ross Husdon** President and Chief Executive Officer Research Station PO Box 6000 4200 Highway 97 Summerland BC V0H 1Z0 Ph: (250) 494-5021 Fx: (250) 494-5024 e-mail: ross.husdon@gems5.gov.bc.ca	Minister of Agriculture, Food and Fisheries	Assist orchardists in the British Columbia interior to revitalize the industry.
Pacific National Exhibition	PO Box 69020 Exhibition Park 2901 East Hastings Street Vancouver BC V5K 4W3 (604) 251-7703	**Jeff Garrad** Director of Finance PO Box 69020 2901 East Hastings Street Vancouver BC V5K 4W3 Ph: (604) 252-3582 Fx: (604) 251-7768 e-mail: jeffg@pne.bc.ca	Minister of Competition, Science and Enterprise	Management of the annual PNE fair and operation of Playland Amusement Park.
Rapid Transit Project 2000 Ltd	200 – 3875 Henning Drive Burnaby BC V5C 6N5 Ph:(604) 739-6985	**Colin Smith** Chief Financial Officer 200 – 3875 Henning Drive Burnaby BC V5C 6N5 Ph: (604) 714-4959 Assistant: Betty Harris Ph: (604) 292-8700 Fx: (604) 298-5137 e-mail: csmith@rapidtransit.bc.ca	Minister of Transportation	Manage construction of rapid transit line in the Lower Mainland.
Skeena Cellulose	Suite 2300, 666 Burrard Street Vancouver, BC V6C 2X8 (604) 688-2225	**Robert Allen** Chief Executive Officer and Chair Ph: (604) 688-2225 Fx: (604) 682-6739 e-mail: allenr@skeena.com	Minister of Competition, Science and Enterprise	Operation of forest products mills in northwestern British Columbia.
Tourism British Columbia	Ste. 300 – 1803 Douglas Street P.O. Box 9830, Stn. Prov. Govt. Victoria BC V8W 9W5 Ph: 953-2033	**Len Dawes** Chief Financial Officer/ Director Corporate Services Suite 300 – 1803 Douglas Street Victoria BC V8W 9W5 Ph: (250) 356-5628 Fx: (250) 387-2815 e-mail: ldawes@tourism.bc.ca	Minister of Competition, Science and Enterprise	Promote development and growth in the tourism industry and to increase revenue and employment throughout British Columbia

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Appendix 3.3 Major British Columbia Crown Corporations and Agencies[1] (as of October 2001) – *Continued*

Corporate Entity	Address and Telephone No.	Chief Financial Officer	Minister Responsible	Functions
Social and Government Services:				
B.C. Community Financial Services Corporation	390 Main Street Vancouver BC V6A 2T1	**John Hill** General Manager 390 Main Street Vancouver BC V6A 2T1 Ph: (604) 606-0145 Fx: (604) 606-0139 e-mail c/o: Katrina.Elliot@gems2.gov.bc.ca	Minister of Competition, Science and Enterprise	Provide financial services to residents of Vancouver's Downtown Eastside.
British Columbia Assets and Land Corporation	5th Floor, 609 Broughton Street Victoria, BC V8W 9W6 (250) 356-1282	**Hugh Wilzowski** Executive Financial Officer PO Box 9475 Stn Prov Govt Victoria BC V8W 9W6 5th Floor – 609 Broughton Street Victoria BC V8W 1C8 Ph: (250) 387-1729 Fx: (250) 952-6248 e-mail: Hugh.Wilzowski@gems9.gov.bc.ca	Minister of Sustainable Resource Management	Provides marketing and land management services to the provincial government.
British Columbia Assessment Authority	1537 Hillside Avenue Victoria BC V8T 4Y2 (250) 595-6211	**Maria Pavan** Manager – Financial Services 1537 Hillside Avenue Victoria BC V8T 4Y2 Ph: (250) 595-6211 Loc. 316 Fx: (250) 595-6223 e-mail: maria.pavan@gems2.gov.bc.ca	Minister of Sustainable Resource Management	Assessment of all real property within the province for taxation purposes.
British Columbia Investment Management Corporation.	Mailing Address: PO Box 9910 Stn Prov Govt Victoria BC V8W 9R1 Physical Address: 3rd Floor – 2940 Jutland Road Victoria BC V8T 5K6 Ph: 356-0263	**Neil Muth** Vice President, Finance and Operations PO Box 9910 Stn Prov Govt Victoria BC V8W 9R1 Ph: (250) 387-7136 Fx: (250) 387-7874 e-mail: Neil.Muth@bcimc.com	Minister of Finance	Manage investments for various public sector clients in British Columbia, including pension funds, crown agencies, trust funds and the provincial government.
British Columbia Buildings Corporation	3350 Douglas Street Victoria BC V8Z 3L1 (250) 952-8500	**Lak Parmar** Vice President & Chief Financial Officer 3350 Douglas Street Victoria BC V8Z 3L1 Ph: (250) 952-8492 Fx: (250) 952-8281 e-mail: lparmar@bcbc.bc.ca	Minister of Management Services	Provision of accommodation and real estate services for government ministries and other publicly-funded organizations.
British Columbia Housing Management Commission	601 – 4555 Kingsway Burnaby BC V5H 4V8 Ph: (604) 433-1711	**Irene Young** Chief Financial Officer 601 – 4555 Kingsway Burnaby BC V5H 4V8 Ph: (604) 439-4756 Fx: (604) 439-4722 e-mail: iyoung@bchmc.bc.ca	Minister of Community, Aboriginal and Women's Services	Management of provincial and federal/provincial housing units and administration of rent supplement programs.

Appendix 3.3 Major British Columbia Crown Corporations and Agencies[1] (as of October 2001) – *Continued*

Corporate Entity	Address and Telephone No.	Chief Financial Officer	Minister Responsible	Functions
Social and Government Services: – *Continued*				
Homeowner Protection Office	2270 – 1055 West Georgia Vancouver BC V6E 3P3 Ph: (604) 646-7050	**Dan Maxwell** A/Chief Executive Officer 2270 – 1055 West Georgia Vancouver BC V6E 3P3 Ph: (604) 646-7071 Fx: (604) 646-7051 e-mail: dmaxwell@hpo.bc.ca	Minister of Community, Aboriginal and Women's Services	Strengthen consumer protection for homeowners and provide financial assistance through a loan program and provincial sales tax rebates.
Provincial Capital Commission	613 Pandora Avenue Victoria BC V8W 1N8 (250) 386-1356	**Deborah Eddy** Manager, Financial Services and Property 613 Pandora Avenue Victoria BC V8W 1N8 Ph: (250) 953-8800 Fx: (250) 386-1303 e-mail: deddy@bcpcc.com	Minister of Community, Aboriginal and Women's Services	Enhancement of the Capital Improvement District and management of properties under the commission's control.
Provincial Rental Housing Corporation	601 – 4555 Kingsway Burnaby BC V5H 4V8 (604) 433-1711	**Irene Young** Chief Financial Officer 601 – 4555 Kingsway Burnaby BC V5H 4V8 Ph: (604) 439-4756 Fx: (604) 439-4722 e-mail: iyoung@bchmc.bc.ca	Minister of Community, Aboriginal and Women's Services	Holding of housing units managed by the B.C. Housing Management Commission.
Science Council of British Columbia	Mailing Address: Ste. 400 – 4710 Kingsway Burnaby BC V5H 4M2 Physical Address: Ste. 400 – 4710 Kingsway Burnaby BC V5H 4M2 Ph: (604) 438-2752	**Gary Kuno** Director of Finance & Administration 400 – 4710 Kingsway Burnaby BC V5H 4M2 Ph: (604) 438-2752 Loc. 237 Fx: (604) 438-6564 e-mail: gkuno@scbc.org	Minister of Competition, Science and Enterprise	Promote economic development through innovative applications of science and technology.

[1] For a comprehensive list of Crown corporations and agencies, refer to the *Public Accounts*.

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Provides a range of up-to-date economic and financial data, including production and shipments for British Columbia's major industries.

Consumer Price Index — Monthly
Price trends in British Columbia, Vancouver and Victoria for various categories of consumer spending. Includes historical summaries and comparisons with major Canadian cities.

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A comprehensive look at the labour market in B.C., providing sectoral analysis of the B.C. labour force and its wage structure.

Labour Force Statistics — Monthly
A monthly summary of labour force conditions, showing employment and unemployment by age, sex, occupation and industry, with regional breakdowns.

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Migration Highlights — Quarterly
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Quarterly Regional Statistics — Quarterly
Organized by region, and features current monthly and quarterly economic data. Includes charts and tables. Approximately 240 pages.

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Information on major capital projects, listed by development region and status (proposed, under construction, on hold, or completed.) Also includes regional profiles and maps.

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Economic Accounts — Annual
Detailed look at the composition of B.C.'s economy, the contribution of industrial sectors and their change over time. Tables include income and expenditure accounts, current and constant dollar estimates, and price deflators.

Manufacturers' Directory — Annual
This publication details over 7,200 manufacturers, including employment size, commodities produced, export status and a contact name and address.

Socio-Economic Statistical Profiles — Annual
Individual profiles for 8 Development Regions and 28 Regional Districts. Includes tables and charts covering population growth, ethnic identity, migration, family structure, labour market, income, unemployment, social assistance, crime, alcohol consumption, education and health.

Community Facts —Semi-Annual
Provides, for each municipality and regional district, a two-page compendium of statistics comparing local data to that of the province. Some text, tables and charts. Also available on our web site.

Community Profiles — Continuously updated
This series of 28 documents combines a wide array of statistical information gathered from many sources, and provides a comprehensive demographic and economic profile for each Regional District. Each profile comes in a 3-ring binder, containing 200–400 pages of documentation, maps and data, providing a wealth of information in one convenient place.

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Detailed demographic and economic data by 8 development regions and 73 sub-areas in B.C. Current issue: 1995.

Population Forecast — Annual
Annual forecast of the B.C. population by age and sex, to the year 2021. The causes of population change—births, deaths, internal and international migration—are also provided.

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Detailed statistical tables provide historical and forecast population by age and sex, including components of change, for your choice of: regional districts or local health areas.

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